

BUDGET OVERVIEW

The financial data presented in this section represents the Financial Summary and a written Overview of the revenues and expenditures or expenses for all of City of Memphis Funds.

Some totals may be off due to rounding.

Budget Overview

Since the COVID-19 pandemic first irrevocably changed our world in March 2020, there were high hopes that our communities would be in a much different situation by now, both from a financial and public health standpoint. With the continual rise of the Delta variant, the lack of across-the-board voluntary vaccinations and unemployment on the rise – governments have had to develop Budgets with extreme uncertainties – much like this time last year. While many businesses, schools, and churches have reopened with mask-mandates and other social distancing protocols to protect the public's health, revenues from once bustling economic activities have continued to drop, businesses have closed, violent crime rates continue to climb, as well as hospital utilization rates due to Delta variant transmission and illness. While we are grateful to receive over \$160 million in federal American Rescue Plan Act (ARPA) funding during FY22, there is some uncertainty surrounding how the funds may or may not be used. City government revenue replacement funds are only eligible to the extent the reduction in revenue was directly caused by COVID-19 in comparison to the most recent fiscal year prior to the emergency, which was FY2019. These conditions have established the backdrop for the City of Memphis's Fiscal Year 2022 (FY22) Budget plan and provide the context for the numbers presented herein.

The City of Memphis' FY22 general fund Budget is approximately \$716M. This Budget embraces the expected impact of COVID-19 and the rise of the Delta variant on our economy while yet balancing appropriations to the Mayor's priorities: **Youth; Public Safety; Neighborhoods; Good Government and Jobs**. Other funds included in this document include the Enterprise Funds which are supported by user fees; Special Revenue Funds supported by charges for specific services; and Internal Revenue Funds which are funded by a combination of inter-fund billings and various types of other revenues. These funds, along with the general fund, work together to provide services to the citizens of Memphis. The FY22 Budgets, across all funds, incorporate a balanced approach service delivery and expense control based on expected revenues that reflect the current economic environment.

The Economic Impact on Budget Planning

There is generally a correlating response in the performance of our local economy with that of the national economy. When the national economy does well or performs poorly, so does Memphis. For FY22 the continuing COVID-19 pandemic is still the major driver of the economic impact on Memphis' latest Budget. As such, it is presented with a paradigm that considers business operational policies resulting from measures taken to control the pandemic situation including the recommendation for swift vaccinations for all eligible citizens.

COVID-19 have businesses operating with continued safety protocols. A shortage of service workers, various food and industrial shortages and drops in discretionary income further curtail local business income opportunities. This landscape has negatively

impacted many of the City's major revenue sources, such as court costs, charges for services, and business fees. The impact of COVID-19 is projected to continue effecting business performance in FY22. Therefore, the usual economic business performance expectations for revenue growth will not occur. The FY22 Budget is presented with a revenue decline for FY22.

In summary, the economic outlook for Memphis continues to be dependent on the COVID-19 impacts. Additional discussion pertaining to our economy can be found later in this section.

Performance Accountability Plans

The City's mission is to improve the quality of life for all Memphians, every day. In support of this mission,

Mayor Strickland has championed the improvement of core City services and a commitment to transparency and trust as part of his "brilliant at the basics" philosophy for City Government. While prioritizing our values of Innovation, Accountability, Collaboration and Service supports this philosophy.

The Office of Performance Management has the responsibility to increase performance transparency to the Citizens of Memphis by managing the City's performance review process as well as the public-facing and internal MEM Facts performance dashboards. The Office of Performance Management works to provide the public and City staff with easy access to the information they need and new management accountability tools for both operational and fiscal management.

To make good use of its integrated performance data, the City has established a business process that includes regular and recurring performance reviews to address divisional issues, as well as issues that cross divisional lines.

Mayor Strickland is committed to continuous improvement and transparency, and has promised to measure the City's results, share those results with the public, and hold the City accountable. To that end, the City of Memphis maintains a public website, data.memphistn.gov, where our citizens and others can view the City's performance goals and track its progress against those goals. In addition, our Mayor sends a weekly email update to citizens that tackles the City's challenges as well as celebrates its successes. Memphis is one of 40 cities that received the What Works Cities certification for its data driven decision making process that tracks a variety of metrics through its performance dashboard that provides statistics such as 911 response times; see [What Works Cities - Results for America \(results4america.org\)](http://results4america.org).



PERFORMANCE MANAGEMENT IN MEMPHIS

Throughout this document – not including the divisions of City Council, City Court Clerk, and City Judges - we identify each general fund division's key performance indicators (KPI's) and goals to measure effectiveness. These KPI's represent a selection of

the indicators that we use to monitor organizational performance. The highest priority indicators are reviewed monthly by senior management to track the City's progress and identify areas that need further attention to reach our goals.

General Fund Discussion

The FY22 adopted expenditure Budget is \$7.3M below or less than the FY21 adopted Budget. The FY22 general fund Budget balanced at \$716M and does not incorporate a tax increase. To overcome lower revenue projections and required Budget expenditure increases, significant reductions from prior spending trends were made in several areas including community programs, professional services, and the Memphis Area Transit Authority (MATA) grant funding. The FY22 Funding Budget required increases in personnel expenditures, including the pension Actuarially Determined Contribution (ADC), healthcare costs and overtime for Police and Fire. Appropriations for other priorities, like youth initiatives and community services for Parks and Libraries, are included. In some cases, service delivery models will be different due to safety protocols for the health and protection of our citizens.

Revenues

The FY22 Budgeted revenue, without the use of fund balance is \$692.8M compared to the FY21 Budget which was \$655.2M. While our state grant, revenues and charges for services were down by a total of about \$18M, local and state taxes were up by \$39.5M and \$16.3M respectively.

The revenue Budget was developed from management’s trend experience. Focus is given to the forecast and trends for the top ten revenue sources.

To balance the FY22 Budget, \$23.175M in unassigned fund balance is budgeted for use. This budgeted use is without consideration of any potential revenue replacement from the American Rescue Plan Act (ARPA). The FY22 general fund revenue budget, without the use of fund balance, is about 5.73% above the FY21 Adopted Budget. For FY22, just as in FY21, budgeted revenues now include two newer revenue

sources: state grants, \$5.0M; and income from a local sales tax referendum, \$12.0M. The state grant is the City of Memphis' apportionment from the State of Tennessee in response to COVID-19. The sales tax funding is revenue generated from the action, approved by the voters, to increase the local sales tax to restore certain benefits to safety employees. These benefits are reconsidered necessary for recruitment and retention of safety personnel.

Local sales tax grew from \$92.25M in FY21 to \$130M in FY22, an 41% increase or \$37.75M. State sales tax, also grew about 41%, increasing from \$45.5M in FY21 to \$64.0M in FY22.

A summary of the major revenue variances from the FY21 Adopted Budget is shown below.

REVENUES

Fund Type	FY2021 Adopted	FY2022 Adopted	Inc./(Dec.)
General Fund	\$708,694,526	\$715,991,924	\$7,297,398

Notable FY21 to FY22 Budget Revenue Changes:

- | | |
|---|---|
| ▪ 37.8 Million Local Sales Tax | ▪ (30.0) Million Budgeted Use of Fund Balance |
| ▪ 18.5 Million State Sales Tax | ▪ (9.0) Million State Grants |
| ▪ 2.7 Million Federal Grants | ▪ (6.7) Million MATA |
| ▪ 1.3 Million Ad Valorem Tax - Prior | ▪ (3.0) Million FEMA Reimbursement |
| ▪ 1.2 Million Alcoholic Beverage Inspection | ▪ (2.5) Million State Income Tax |
| ▪ 1.2 Million In Lieu of Taxes - Sewer | ▪ (2.1) Million Ambulance Service |
| ▪ 1.0 Million Beer Sales Tax | ▪ (1.5) Million Ad Valorem Tax – Current Sale |
| ▪ 0.8 Million Miscellaneous Auctions | ▪ (1.4) Million Mixed Drink Tax |

Expenditures

The FY22 revenue Budget supports an expenditure Budget that maintains employment at the current levels through this pandemic. Funding above the FY21 adopted Budget only increased for expenditures that are critically required to deliver quality services to the citizens of Memphis, or outside of the administration’s control. For example, professional services, \$3.8M; community initiatives grant, \$2.6M; insurance, \$2.4M; and outside phone communication, \$1.3M.

budget reductions included a -\$8.5M for the pension actuarially determined contribution; and -\$2.2M for healthcare cost. Additional expenditure changes from the FY21 adopted Budget are shown below.

EXPENDITURES

Fund Type	FY2021 Adopted	FY2022 Adopted	Inc.//(Dec.)
General Fund	\$708,694,526	\$715,991,924	\$7,297,398

Notable FY21 to FY22 Budget Expenditure Changes:

▪ 3.8 Million Misc. Professional Services	▪ 0.3 Million City Computer Svc Equipment
▪ 2.6 Million Community Initiatives Grants	▪ 0.3 Million Juvenile Intervention
▪ 2.4 Million Insurance	▪ 0.2 Million Clothing
▪ 1.3 Million Outside Phone/Communications	▪ 0.2 Million Equipment Rental
▪ 0.5 Million Misc. Services and Charges	▪ (8.5) Million Pension ADC Funding
▪ 0.5 Million Security	▪ (2.2) Million Health Insurance – Choice Plan
▪ 0.4 Million Utilities	▪ (1.3) Million Expense Recovery - Materials
▪ 0.4 Million Rent	▪ (0.9) Million Paid Time Off Final Pay
▪ 0.4 Million Family Safety Centers of Memphis	▪ (0.8) Million Expense Recovery - Personnel
▪ 0.3 Million Data/Word Process Software	▪ (0.4) Million Overtime
▪ 0.3 Million Blight Authority of Memphis	▪ (0.2) Million Operation Police Aircraft
▪ 0.3 Million Outside Computer Services	

Other Funds Discussion

Debt Service Fund

The Debt Service Fund provides for the accumulation of resources for the payment of general long-term debt principal, interest, and related costs. This fund uses approximately 31% of the property tax rate and 7% of the local sales tax rate. Expenditures for FY22 are budgeted to be higher than the FY21 Adopted.

Budget largely due to an increase in debt service payments. The Debt Service Fund is Budgeted to use approximately 6.0 million dollars of its restricted and committed fund balances. (See the Debt Service Fund Schedule section of book).

Enterprise Funds

Enterprise Funds account for the acquisition, operation and maintenance of the City's facilities. The Sewer Fund and the Storm Water Fund are the City's Enterprise Funds. The Sewer Fund expenses for FY22 are Budgeted to increase by approximately 6% over the FY21 Budget. The expenses for chemicals and capital outlay are the main drivers for the increase.

These are planned increases and revenues are sufficient to absorb the increases. The Storm Water Fund expenses have slightly increased by 3%. The Storm Water Fund will produce a positive contribution to its fund balance for future initiatives. (See the Enterprise Fund Schedule section of book).

Internal Service Funds

Internal Service Funds (ISF) are used to Budget for the costs of goods or services provided to other City Divisions. The ISF revenues are generated from Divisions using their services. Healthcare, Unemployment and Fleet represent the internal service funds in the FY22 Budget.

is continually striving to become more efficient in the provision of repair services to other divisions and managing gas prices with timed purchases at lower market costs.

The City's health plan serves almost 7,000 active employees and 7,500 spouses and dependents. The Healthcare Fund expenses are expected to increase because of health claim expenditures. FY22 claims are expected to increase by 8% or \$5.9M. The Healthcare Fund is not Budgeted to transfer any of its fund balance to support the OPEB fund, which pays healthcare expenditures for retirees, to offset the expected claims expenditures for retired employees that remain on the City's health plan. The Fleet Fund

The Unemployment Fund has a healthy and accumulating fund balance. The expenditure increased slightly by 2% as compared to the FY21 adopted Budget. (See the Internal Service Fund Schedule section of book).

Special Revenue Funds

Special Revenue Funds provide budgets for specific revenue sources that are restricted to expenditures for specific purposes. There are ten Special Revenue Funds with spending represented in the FY22 budget. The largest Special Revenue Fund is Solid Waste (SW). This fund's expenditures for FY22 are budgeted slightly lower than FY21 due to a decrease in contracted collections and disposal.

The Pre-K Fund receives its revenues from property taxes collected by the City and allocations from the 2019 Sales Tax Referendum Fund. The budgeted cost of the program represents an agreed funding amount that includes several partners that have invested in the cost of education for the young citizens of Memphis.

Fiduciary Funds

Other Post-Employment Benefits (OPEB) is the Fiduciary Fund that pays for the healthcare of the City's retirees. To reduce costs in the OPEB Fund, the City has transitioned many retirees to the various insurance exchanges resulting in a significant decrease in the cost of claims. Expenses have decreased significantly since FY15. Beginning in FY20, a referendum was passed to provide public safety retirees additional benefits. Revenues from the 2019

2019 Sales Tax Referendum Fund reflects new income from a half-cent increase in the local sales tax. The additional tax was approved to provide a restoration in pension and benefits for certain police and fire personnel. This income will offset the increased costs across the General Fund, the OPEB Fund, and/or the City Retirement Fund for the pension and benefit additions. The expected Budget cost for FY22 is \$59M.

Other special revenue funds and their Budgeted FY22 expenditure changes from the FY21 Budget are identified below. (See the Special Revenue Funds Schedule section of book).

Sales Tax Referendum Fund will offset the increased claim cost.

The Library Retirement System Fund represents retirees that were not placed into the City's plans when the Library system merged with the City.

The Pension Fund, which accounts for the activity of City retirees, is not shown below as it is not included in the Operating Ordinance for the adopted budget.

FY2021-FY2022 Memphis Economic Outlook

Summary. The Economic base of Memphis remains strong as the economy begins a period of recovery from the depths of the COVID 19 pandemic in April 2020. The strength of the pre-pandemic economy is expected to shorten the recovery period. A decade of economic growth after the Great Recession had created a full employment economy with rising incomes and abundant job opportunities during 2019. During the first quarter of 2020, Memphis was continuing to enjoy an economic boom with industrial, commercial, and residential construction occurring in many areas of the City. The economy was on its way to a strong year with growth expected in nearly every sector.

The economic outlook for the City of Memphis' FY2022 is focused solely on continued recovery. Like the rest of the nation, Memphis' economy faced uncertainty during the height of the COVID shutdown and subsequent reopening. Historically stable local industries such as Leisure and Hospitality and Retail Trade have yet to fully recover. Professional and business services and distribution and logistics services both experienced faster than post-recession, pre-pandemic growth during the shutdown and reopening periods. Pre-pandemic growth rates have seemingly returned to the area despite uncertainty about when the pandemic will officially end and the start of a "new normal" begins. COVID variants are making it difficult to shift the national and local economy into a full recovery or give a clear picture of growth moving forward.¹

Vaccination rates in Shelby County (56.6%) are 3.7 percentage points higher than the national rate as August 2021.² Vaccinations are a key component to local and national recovery, as the vaccine is more likely to reduce the severity and duration of the illness caused by the virus.³

Small business assistance programs provided temporary relief to local business owners during the shutdown phase. Local business support organizations provided \$7.7 million in grants and loans to nearly 1,200 businesses. The Tennessee Department of Revenue offered assistance to its employer establishments through a \$50 million Supplement Employer Recovery Grant. The Small Business Administration also provided aid with Economic Injury Disaster and Paycheck Protection Program loans to more than 247,000 Tennessee businesses to support them through the crisis.⁴

Local retail sales never fell below \$1 billion, even at the height of the shutdown. Retail sales only lagged on items that were sold in stores deemed "non-essential" such as apparel and furniture. By December 2020, retail sales in the Memphis area were \$14.4 million higher than in December 2019.⁵ Retail sales trends are indicating that FY 2022 consumer confidence is on track to meet or exceed pre-COVID levels. Consumer confidence and expenditures are a key component of economic recovery.

¹ Roberts, J. (2021, April 30). *Economy recovering, but it won't look the same, experts say*. Daily Memphian. <https://dailymemphian.com/section/business/article/21623/memphis-economy-recovering-but-wont-look-the-same>

² Our World in Data. Vaccinations. (2021, August 31). *Vaccinations*. GitHub. https://github.com/owid/covid-19-data/blob/master/public/data/vaccinations/us_state_vaccinations.csv

³ University of Utah Health. (2021, July 6). *mRNA vaccines slash risk of COVID-19 infection by 91 percent in fully vaccinated people, study finds*. Science News. <https://www.sciencedaily.com/releases/2021/07/210706180911.htm>

⁴ Accountable.us. *COVID Bailout Tracker*. <https://covidbailouttracker.com/>

⁵ Tennessee Department of Revenue. (2021). *Retail Sales by Calendar Year/Month, 1999-Current Year* [Data set.]. Collections and Reporting. <https://www.tn.gov/revenue/tax-resources/statistics-and-collections/retail-sales-by-calendar-year-month.html>

Local traded industries are rebounding and on track to exceed pre-COVID levels. Employment has been steadily increasing since recovery efforts began in late Summer 2020. Manufacturing, a historically declining industry in this market, grew by 2.8% while Professional and Business Services experienced nearly 20% employment growth, Wholesale Trade increased by 11.2%, followed by Transportation and Utilities 6.3% growth rate. All three industries surpassed pre-COVID employment levels. Leisure and Hospitality, the hardest hit by the pandemic, regained 16,900 jobs in the 12 months after the shutdown. Job gains are occurring across all local industry sectors, but most have not yet caught up to their pre-COVID levels. This is an indication that the local economy is in recovery mode.

Similarly, overall local employment is trending up in 2021. The Memphis economy gained 46,300 jobs in the 12 months since the shutdown occurred. Recovery is strong across all industry sectors, with employers adding jobs and providing financial and other incentives to encourage workers to apply. Examples of this include ecommerce and service companies offering cash hiring bonuses to new employees and increasing hourly wages to \$15/hour or more. FedEx Express is offering tuition reimbursement on the first day of hire. The Memphis Area Transit Authority is offering signing bonuses to new drivers. The combination of these programs and recovery efforts by local and state governments will directly influence a positive employment outlook for fiscal year 2022.

Real estate construction and sales paint a different picture of the local economy. Residential home sales increased by 25.9% between April 2020 and April 2021. This trend began during the height of the pandemic and lasted through the subsequent reopening phase. For homebuyers, the unusual combination of pandemic-related lifestyle changes, government stimulus payments and reduced work-related expenses along with low interest rates drove residential demand. This increased demand, coupled with a shortage of available homes for sale, resulted in housing prices increasing by 11% year over year.

Demand for industrial space increased in 2020. Industrial construction deliveries in the Memphis market increased by 234% between December 2019 and December 2020, while 2021 year-to-date deliveries have already surpassed total deliveries for all of 2019. Industrial construction activity directly impacts the local economy through expenditures on building materials and equipment, transport of those purchases, job creation, and injection of capital investment into the larger economy. Additionally, the return of speculative construction activity to Shelby County is an indication that investors believe our economy will see an uptick in the number of industrial lease and sale transactions in the short term. Available Class A and B industrial buildings are a key component to economic development success. If interest rates and ecommerce remain steady, the Memphis commercial real estate market will continue experience strong growth in fiscal year 2022.

Local Conditions

The data in Table 1 shows job gains in nearly all industry sectors, except for financial activities and government. Local industry sectors experienced significant job growth that surpassed historical trends, but those gains did not lead to a complete pre-COVID recovery. For some industries like Leisure and Hospitality and Retail Trade, those jobs may never return due to corporate bankruptcies causing store closures and scaling back of overall operations⁶. Within the last 12 months since the shutdown occurred, the local economy added 46,300 new jobs. This is a 7.8 percentage point increase.

Table 1. Memphis MSA Employment by Industry, April 2021

Industry	April 2021 Total Employment	% Change from April 2020
Total Non-Farm	638,500	7.8%
Manufacturing	44,300	2.78%
Mining, Logging, and Construction	23,900	2.58%
Retail Trade	62,200	10.87%
Wholesale Trade	34,700	11.22%
Transportation & Utilities	78,000	6.27%
Information	5,100	4.08%
Financial Activities	28,500	(0.70%)
Professional & Business Services	99,500	18.17%
Education and Health Services	93,300	0.97%
Leisure and Hospitality	59,800	39.39%
Other Services	26,500	5.16%
Government	82,700	(0.60%)

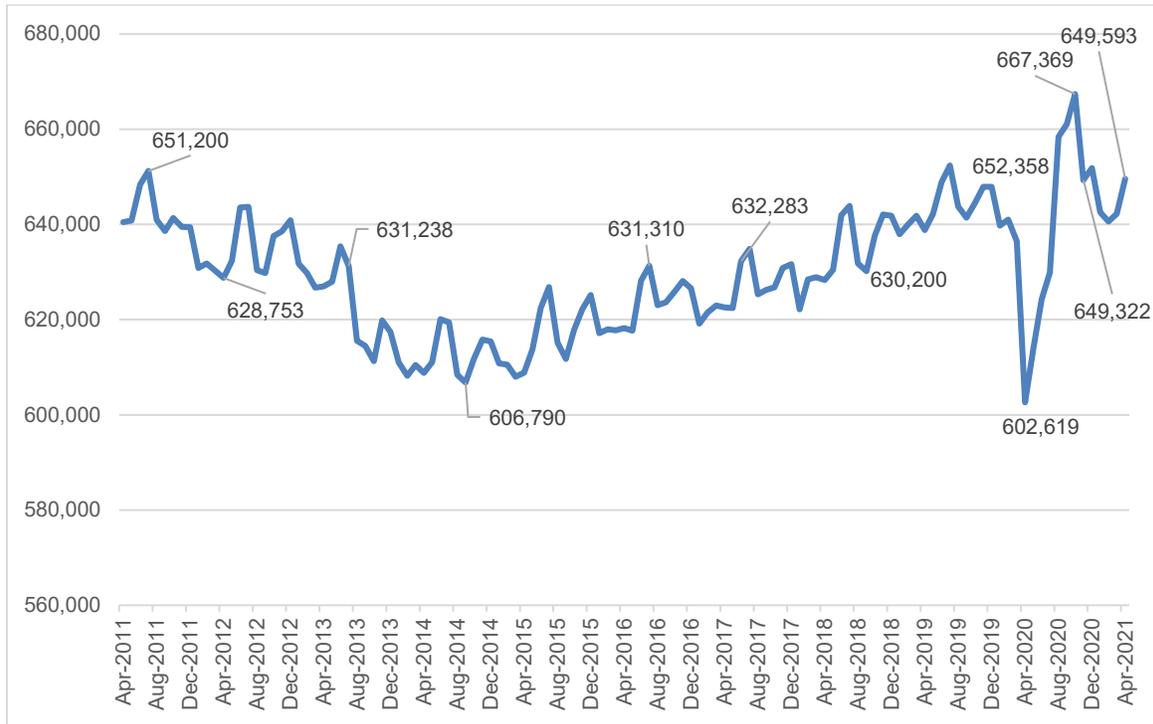
Notes: Data is not seasonally adjusted. April 2020 data was revised since the last publication.

Source: U.S. Bureau of Labor Statistics, Current Employment Statistics

At the end of 2020, Memphis employment was the lowest it had been in the last six years. During the first four months of 2021, employment growth is on track to match pre-COVID levels. The employment losses experienced in April 2020 were not an indication of the economic activity that would occur for the rest of 2020 or the first half of 2021. The data shows a short-lived growth spurt from August 2020 through October 2020, followed by a second dip likely caused by a spike in positive test data in November 2020. While new challenges lie ahead with the onset of the COVID-19 Delta and Lambda variants, if employers maintain a sustainable pace of hiring, the local economy is on track to be at pre-COVID employment levels in FY 2023.

⁶ Ecommerce retail sales are helping fuel job growth in transportation and distribution, while certain brick-and-mortar operations face cutbacks.

Chart 1. Memphis MSA Employment, 2011 – April 2021



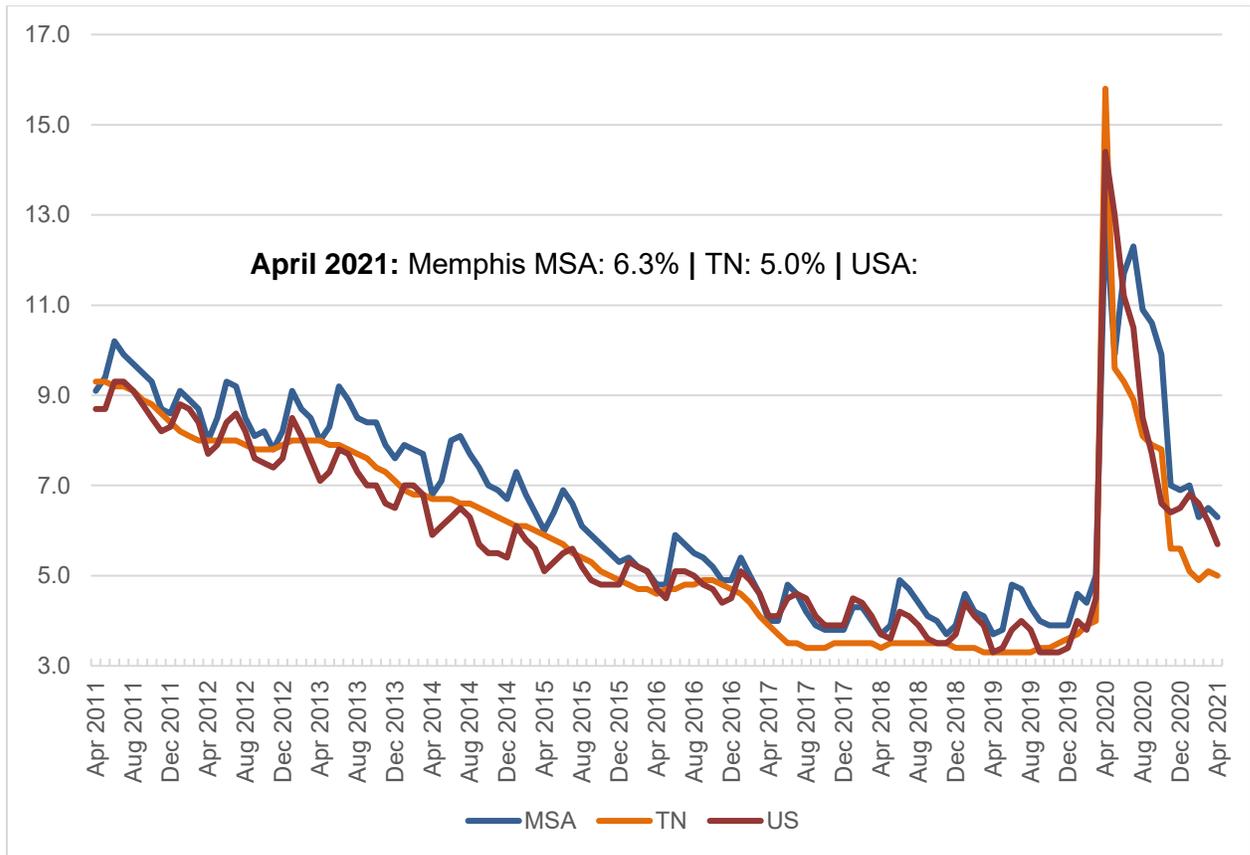
Note: Data is not seasonally adjusted.
 Source: U.S. Bureau of Labor Statistics, Current Employment Statistics

One year after the April 2020 shutdown, local, regional and national unemployment is still decreasing slowly. While most of the unemployed were temporarily furloughed⁷, the number of people who returned to jobs after the layoffs ended has yet to return to pre-pandemic levels. Nationally, 4.3 million people have left the workforce since the start of the pandemic.⁸ Locally, Memphis’ labor force is returning to work at a slower rate than the state and the nation, indicating a looming workforce shortage. Between April 2020 and April 2021, the labor force annual growth rate for the Memphis MSA (-0.49%) lagged behind Tennessee (-0.34%) and the nation (0.22%). Moving into the next fiscal year, unemployment rates will likely continue to slowly decrease as vaccinations rates increase and COVID variants are better controlled, schools and day care centers are again considered safe options for working parents, and extended unemployment benefits expire. It is uncertain if or when discouraged workers will return to the labor force.

⁷ Scarboro, D. (2021). 2021 Economic Indicators: What Lies Ahead in a Post-Pandemic U.S. Economy? {PowerPoint slides}.

⁸ Iacurci, G. (2021, February 8). The pandemic pushes millions from the labor force. That’s bad news. CNBC. <https://www.cnbc.com/2021/02/08/january-jobs-report-covid-19-pushes-millions-from-the-work-force.html>

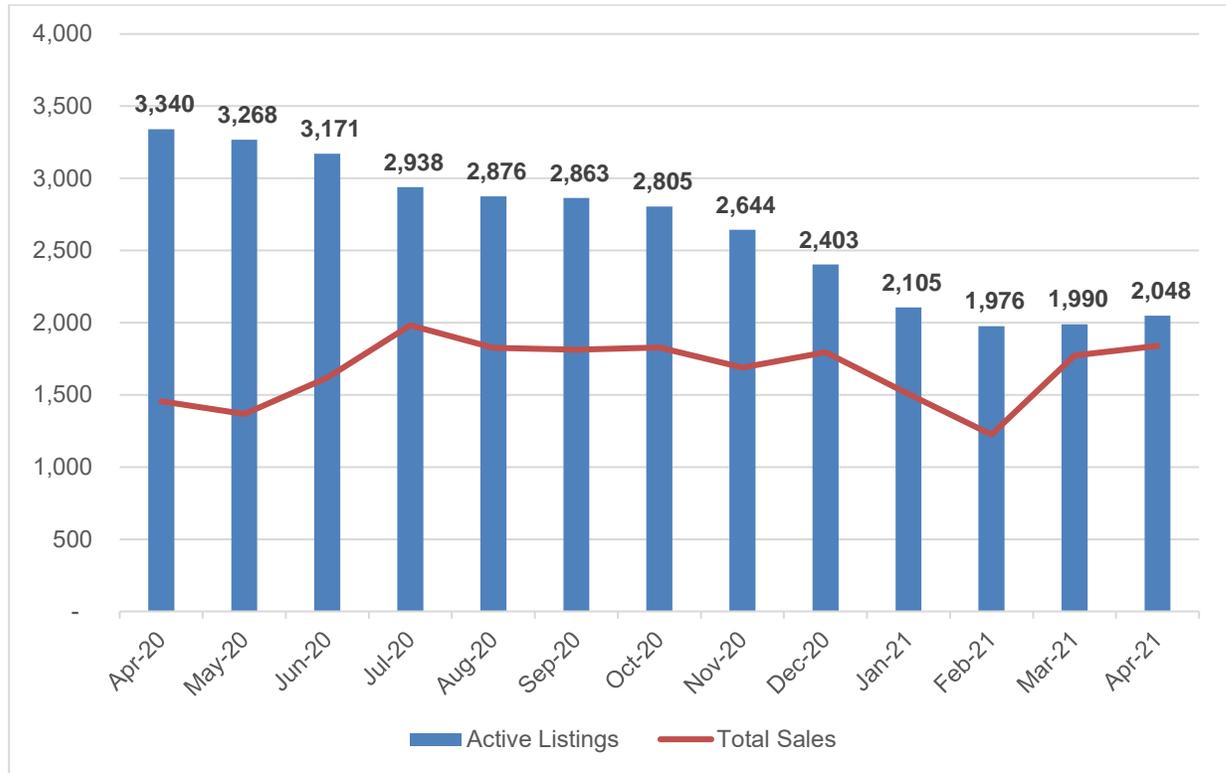
Chart 2. United States, Tennessee and Memphis MSA 10-year Unemployment Rates



*Note: Data is not seasonally adjusted.
Source: U.S. Bureau of Labor Statistics, Current Employment Statistics*

Local residential home sales remained strong during and after shutdown, despite a 43% drop in active listings between October 2019 and October 2020. As the market shifted to favor home sellers due to limited inventory and increased demand, average sale prices increased 11% year over year in April 2021. Foreclosure sales dipped 62% between April 2020 and April 2021 due to the extended federal foreclosure moratorium. If interest rates remain low, the local residential real estate market is expected to remain strong through the 2022 fiscal year.

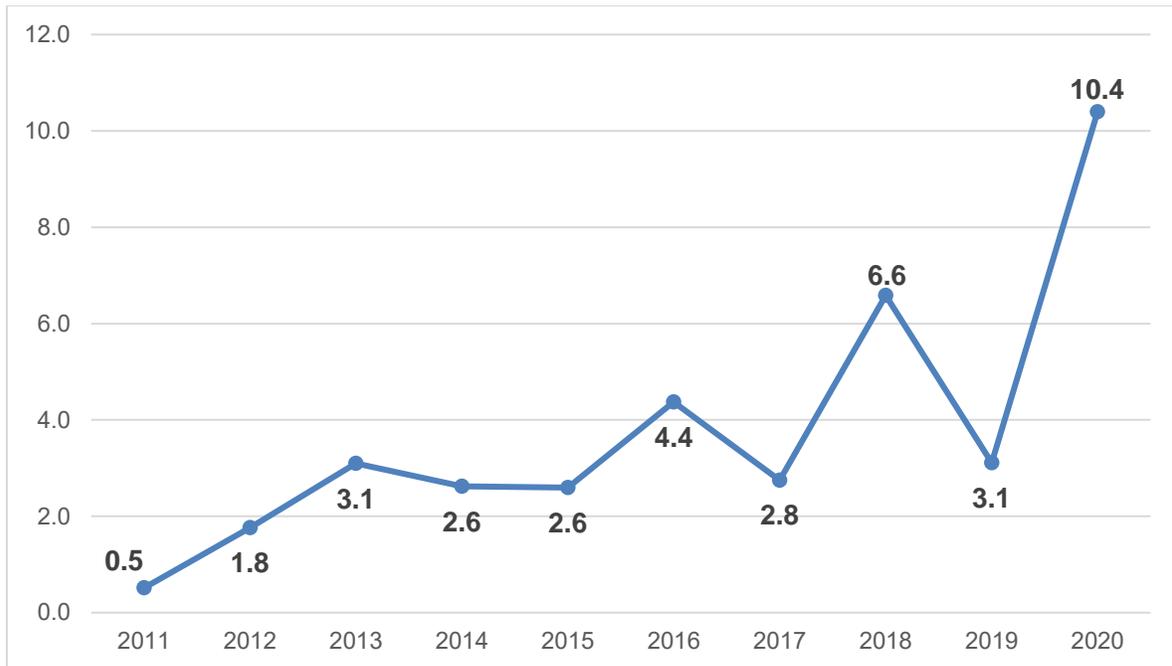
Chart 3. Memphis Area Home Sales and Active Listings, April 2020 – April 2021



Source: Memphis Area Association of Realtors

Local retail and industrial construction deliveries are occurring at a higher rate than at the national level in second quarter of 2021, according to the National Association of Realtors. The local office sector is growing at a similar rate to the nation, while the multi-family sector is lagging national activity. Memphis industrial speculative building construction square footage tripled in 2020 compared to 2019 and surpassed 4.8 million square feet in the second quarter of 2021, out pacing pre-COVID industrial building activity. Industrial real estate construction and demand is expected to continue to grow into the next fiscal year. (NAR, Commercial Real Estate Memphis Metro Market Report Q2-2021)

Chart 4. Memphis Area Industrial Real Estate Deliveries (in millions of square feet)



Source: Avison Young Research

Note: Data includes speculative construction activity above 10,000 sf only

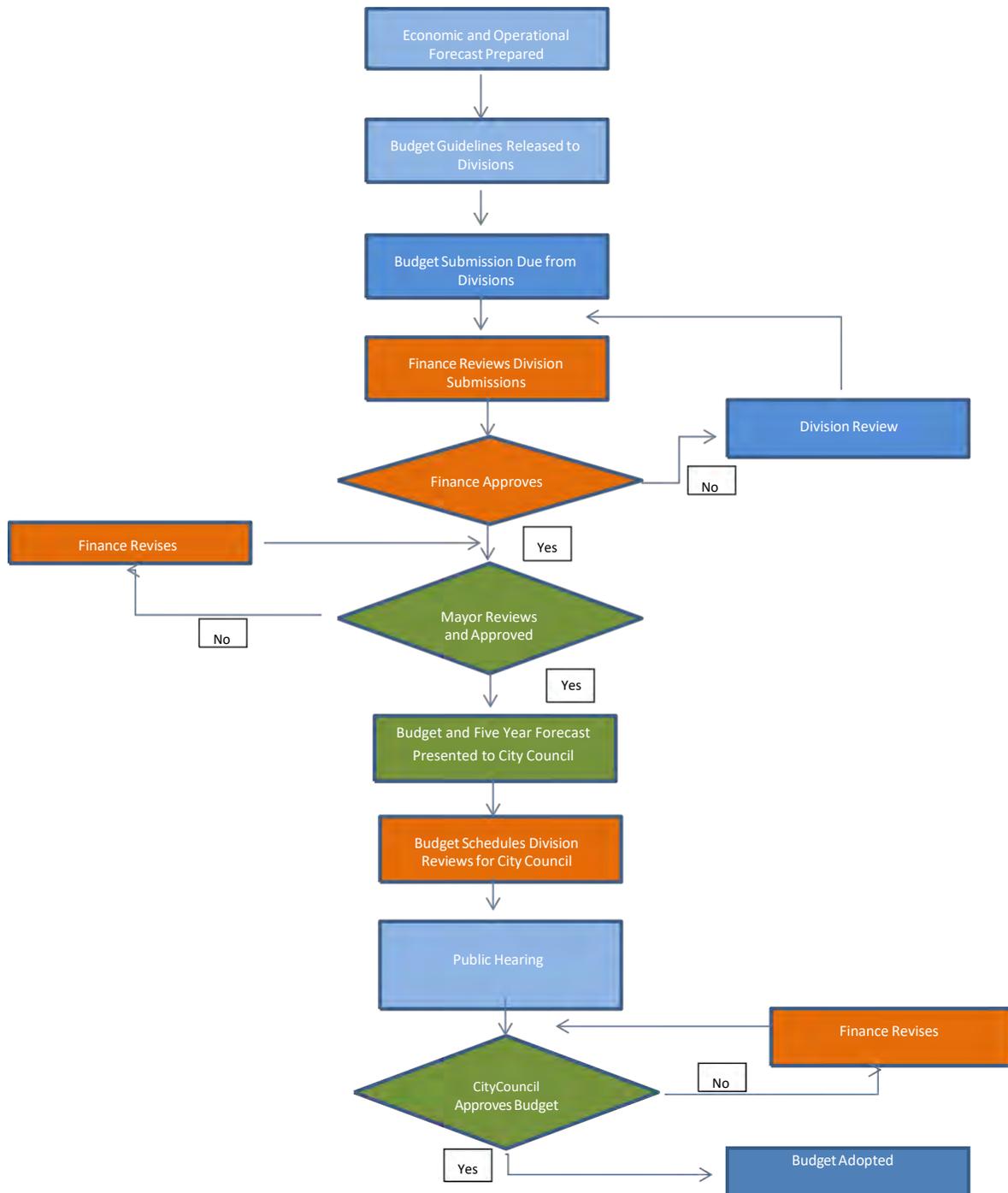
Budget Development Process

The Budget Office (the Office) is responsible for coordinating the Budget preparation for all Divisions and Funds of the City. The Office assembles financial data provided by City Divisions to develop the City's Budget. After the compilation of all data the Budget Office coordinates the review and approval process of the Operating and Capital Improvement Budgets.

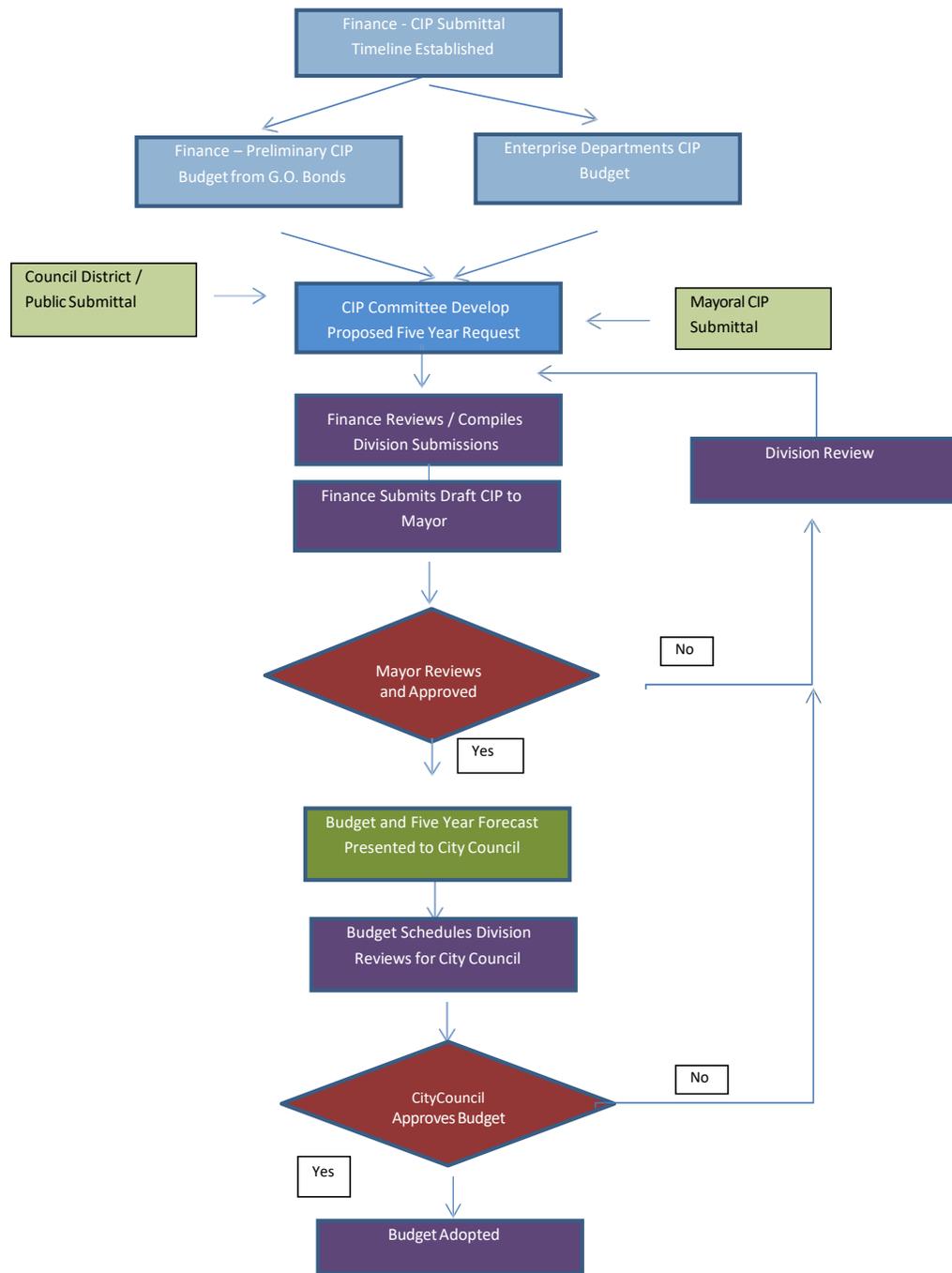
The Operating Budget is approved annually. The planning and development process begins in December for the following fiscal year. The information is analyzed, and Divisions are consulted with respect to noticeable Budget variances. Administrative reviews are held with each Division to further understand their Budget requests and align them with the City's priorities. After finalizing any necessary revisions, the Proposed Operating Budget is submitted to the Mayor for final review and approval. The Mayor presents his Administration's Budget to the City Council (the Council) in April. The Council conducts hearings to review the Budget. With Council's revisions and approval, the process is complete. Funding approvals are limited to one fiscal year.

The Capital Improvement Program (CIP) is a five-year plan, which is reviewed and approved annually, for priority, project changes, and additions. This plan identifies projects for current and future funding. The process for Capital Planning also begins in December with an evaluation of current assets (buildings and infrastructure) and an evaluation of new capital needs. Discussions are conducted by a team which is represented by a cross section of Division leaders. CIP projects that make the final list are analyzed by the Finance Office to align projects with Capital funding capacity. After Finance Office revisions, the CIP Budget is presented to the Mayor for review and final approval. The Mayor submits the plan to Council. The Council then conducts hearings to scrutinize the Budget. The process is completed in June with Council's approval of the Budget. Although the Council approves a five-year plan, spending is allocated for one year.

OPERATING BUDGET PROCESS



CAPITAL PREPARATION PROCESS



FY2022 Budget Calendar

JULY-AUGUST

- Preparation of final documents for the new Budget are completed. This includes the Adopted, Operating, and CIP Budget Book.
- Budget planning for the next year's Budget.

SEPTEMBER

- Initial revenue trends and projections for the current year begin.
- Budget training material developed.

OCTOBER

- Current Year 1st Quarter Actuals reviewed and reported.

NOVEMBER

- Finance submits 1st Quarter Operating results of the new Budget to the City Council.
- Divisions submit CIP needs to the CIP Committee.
- Overview of the next year's Budget priorities given to Division Chiefs and Directors.

DECEMBER-JANUARY

- Revenue projections updated for current year and next year.
- Budget meeting with divisions for 2nd Quarter forecast and next year's Budget request.
- Operating Budget training and initiation dates provided to Divisions.
- CIP Budget training and initiation dates provided to Divisions.

FEBRUARY-MARCH

- Operating Budget/CIP Administrative hearings with Divisions.
- Operating Budget/CIP review with Mayor, and COO.
- Final recommendations made and Budget documents prepared.

APRIL

- The Mayor presents the Proposed Operating Budget and CIP Budget request to the City Council on the third Tuesday in April.
- Ordinances and Resolutions covering the Proposed Budget are presented to Council.
- Notifications of the Proposed Budget is published in the local newspaper.
- Current year 3rd Quarter Actuals reviewed and a final full year forecast prepared for the current year.

MAY

- Budget hearings with the City Council Operating Budget and CIP Committee to review the Proposed Budget.

JUNE

- Final Adopted Budget are approved by the City Council.
- Ordinances and resolutions associated with the Operating and CIP Budgets are finalized.
- Submission of Budget documents to the State Comptroller's Office.

Budgeting and Appropriations Revision Process

The financial plans of the City are included in the annual Operating and Capital Budgets. These Budgets project all receipts and disbursements and frames the level of governmental services that can be provided at the approved funding levels.

Operating Budget

The Administration is responsible for proposing programs and recommending funding levels to the Council and for implementing service programs in accordance with established goals and objectives. The City Council has final responsibility for approving the annual Operating Budget and the Capital Improvement Program and setting the tax rate and fees for services.

Each Division provides services through smaller units known as “program levels.” The adopted Budget ordinance appropriates spending and provides for Budgetary control at program levels. Program budgets cannot be exceeded without the approval of the City Council. Strict Budgetary compliance is maintained by an automated accounting system to assure effective fiscal management and accountability. All requests for purchases or payments are checked by the Budgetary control system to assure that funds are available. Purchase Orders and contracts are encumbered prior to their release to vendors. Those Purchase Orders and contracts that exceed appropriated amounts cannot be executed until additional appropriations are made available, either by transfer of existing appropriations or by a resolution granting additional appropriations by Council. The system controls are maintained at the program levels and are basically established within Personnel, Operations and Maintenance and Capital categories.

Changes to the Operating Budget

The Operating Budget is a guideline or plan of operation for each Division. However, Budget changes may be necessary during the fiscal year (for example, new grant monies can be made available or changes in a service center’s personnel can necessitate an update to the adopted Budget). When unforeseen circumstances arise, changes can be made to the Budget two ways:

Intra-Category Line-Item Transfer (Black Line) or Inter-Category Line-Item Transfer (Red Line).

Intra-Category Line-Item Transfers

Intra-category line-item transfers, called administrative transfers, are used to transfer Budgeted funds within the same category. Administrative transfers are necessary when transferring small amounts of funds within a legal level (program). The Request for Transfer of Budget Appropriation Intra-Category Line item transfer must be completed in full including a justification of the transfer. The explanation should address why surplus funds are available and why funds are needed. This form must be signed by the Division Director and forwarded to the Budget Office for approval.

Inter-Category Line-Item Transfers

Inter-category line-item transfers are used to transfer funds from one legal level (program) to another or between categories. Inter-Category transfers are used to transfer Budgeted funds from one expenditure to another if the transfer is within the same legal level (program) and does not exceed \$50,000 between categories or a cumulative total of \$100,000 for the year. For the personnel category only one \$50,000 inter-category transfer can be made.

Inter-category transfers exceeding the cumulative amount of \$100,000 or transfers between Divisions must be approved by the City Council. The Council transfer form is very similar to the administrative form. Since the changes require approval of the City Council, each transfer must be accompanied by a resolution.

Capital Improvement Budget

The Capital Budget and Capital Improvement Program (CIP) are prepared annually to present the capital expenditures planned for each of the next five fiscal years. The total costs of each project and the sources of funding (local, state, federal and private).

required to finance each project are estimated. The Capital Improvement Program is prepared after a rigorous review and evaluation of all proposed projects by the administration. Building Design and Construction reviews the scope of all requests involving construction or major renovations to City owned structures. Debt Management studies the fiscal feasibility of the projects submitted for future funding needs. The single year Capital Improvement Plan allocates the capital expenditures to be made in the current Budget year. The Capital Budget must be in full conformity with that part of the Capital Improvement Program applicable to the fiscal year which it covers.

Additional authorizations (appropriations) for each capital project in the Capital Budget must precede the expenditures of construction funds.

Changes to the CIP Budget Transferring Allocations & Appropriations

Once the CIP has been adopted by the City Council, the data is loaded into the City's Accounting System. During the life of the project, it may be necessary to provide additional allocations or transfer funds to aid in the completion of the project. Two methods are used to transfer or establish allocation and/or appropriations.

1 The Capital Improvement Budget Request for Administrative Transfer or Appropriation form (Black Line) is used to:

- A. Record the initial appropriation of the planning lines (A/E, land development, land acquisition) upon the adoption of the CIP by the City Council.
- B. Transfer allocations and appropriations within planning lines or within construction lines (contract construction, latent conditions, and other costs).
- C. Transfer allocations from "cover-line" project planning lines to the new project planning lines and the appropriation of the lines.

2 The Capital Improvement Budget

Request for Council Transfer and Appropriation form (Red Lines) is used to:

- A. Appropriate all construction lines.
- B. Transfer allocations and appropriations between projects.
- C. Increase/decrease allocations or appropriations of a project.

Changes to the Operating Budget (exceeding the prescribed administrative levels), or the CIP Budget must be done through resolutions.

Resolutions may be returned to the originating division/bureau for corrections at any time during the process. The need for accuracy in the completion of all appropriate forms and recognition of time constraints is crucial in processing transfers. The Budget Office may be contacted for further assistance and/or information.

Budget Resolution Review Process — Operating & CIP

Resolutions

A resolution is a document asking the City Council to amend the Appropriation Budget Ordinance or Capital Improvement Budget. A resolution is written in two sections: the “WHEREAS” section and the “RESOLVED” section. The WHEREAS section explains why the change is necessary, what the money will be spent for, and why funds are available and where the funds will come from. The RESOLVED section includes the statements that change the Budget Ordinance.

A resolution details the action requested by Council and should answer one or more of the following questions:

- What is the purpose of the change?
- Why is the change necessary?
- What will the funds be used for?
- Why are funds available?

A resolution shall be written in clause format. Each clause in the preamble shall begin with the word “WHEREAS”, include a brief statement answering one or more of the above questions, and continue with “AND,” an adopting clause. “NOW THEREFORE BE IT RESOLVED”, shall summarize all information as requested regarding changes to the City Resolution. The adopting clause may be followed by several additional clauses.

After finalizing a Resolution, a Resolution/Ordinance Routing sheet must be prepared which summarizes the Resolution and includes all governmental data, account numbers, and dollar amounts.

Routing and Handling of Transfers

The Resolution/Ordinance Routing Sheet must accompany all documentation that goes before Council. The originating Division must complete the form and have it signed by the Division Director.

Routing and Handling of Transfers

1 Administrative Transfers and Appropriations

- A Division Directors
- B Budget Office
- C Comptroller’s Office

2 Council Transfers and Appropriations

The Budget resolution package (Council Agenda Check-Off Sheet, original resolution, red line forms including appropriate signatures from the Division Director) should be forwarded to the Budget Office one week before the Council Committee meets. The documents are forwarded as follows:

- A Chief Financial Officer (CFO).
- B Chief Legal Officer (CLO).
- C Chief Operating Officer (COO).
- D Mayor’s Office – The fully reviewed and signed Resolution package appropriating or transferring CIP funds and all other Resolution packages that have been through the review process must be received by the Mayor’s Office by 10 AM on the Monday eight (8) days prior to Council Committee on the following Tuesday.
- E Council Committee reviews monetary transfers and makes recommendations to the full Council.
- F The resolutions are then placed on the Council Agenda for consideration by the full Council on the following Tuesday.

Council’s approval of the resolution gives the legal authority to amend the fiscal year’s Budget.

Resolutions may be returned to the originating Division/Bureau for corrections at any time during the process.

The need for accuracy in the completion of all appropriate forms and recognition of time constraints is crucial in processing transfers. The Budget Office may be contacted for further assistance and/or information.

Fiscal Policy

Policies for Fiscal Control

- **Basis of Budgeting.** The City Budget is in accordance with the Municipal Budget Law of the State of Tennessee. This law requires a cash basis Budget, and the Budget must be balanced. The Budget for the respective funds in this document are presented on a cash basis.
- **Balanced Budget.** It is the fiscal policy of the City to adopt a balanced Budget. For State law a balanced Budget requires that the beginning Unassigned Fund Balances plus estimated revenues must be greater than or equal to appropriations. If necessary, Budgets can be balanced with revenues from the fund balance; however, the fund balance must remain positive and the use of fund balance for future Budgets should not be recurring.
- **Financial Management.** The City will manage and account for its Operating and Capital Budgets in accordance with principles and standards set forth by the Governmental Accounting Standards Board (GASB) and Generally Accepted Accounting Principles (GAAP).
- **Accounting Method.** The City will maintain its accounting records for general governmental operations on a modified accrual basis, with revenues recorded when available and measurable and expenditures recorded when services or goods are received, and the liabilities incurred. The City's actual expenditures, compared to budget, are on a "modified accrual plus encumbrances" basis, which treats encumbrances as actual expenditures at the time the funds are encumbered. Accounting records for proprietary fund types and similar trust funds are maintained on the accrual basis, with all revenues recorded when earned and expenses recorded at the time liabilities are incurred, without regard to receipt of payment of cash. For governmental-type funds, revenues and expenditures are also monitored internally on a "Budgetary" basis to ensure compliance with legal limitations.
- **Internal Accounting Controls.** The City will develop and manage its accounting system to provide reasonable assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of

financial records for preparing financial statements and maintaining accountability for assets. "Reasonable assurance" recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

- **Audits.** The City will ensure the conduct of timely, effective, and periodic audit coverage of all financial records and actions of the City, its officials, and employees in compliance with local, State, and Federal law.
- **Fund Balance.** The City strives to maintain a General Fund balance of 10% of expenditures as a standing fiscal policy.

Policies for Revenue and Program Funding

- **Revenue Projections.** The City will estimate revenues in a conservative manner to minimize the adverse impact of a revenue shortfall.
- **Property Tax Rates.** The City will maintain stable tax rates that avoid wide annual fluctuations as economic and fiscal conditions change.
- **Intergovernmental Revenue.** The City will aggressively seek a fair share of available State and Federal financial support unless conditions attached to that assistance are contrary to the City's interest.
- **Cash Management.** The City will maintain sophisticated and aggressive cash management and investment programs to achieve maximum financial return on available funds. Cash will be pooled and invested on daily basis at best obtainable rates; investments will be generally limited to federal debt instruments, fully collateralized repurchase agreements, or highest quality bankers' acceptances and commercial paper.

Policies for Expenditures and Allocation of Costs

- **Contents of Budgets.** The City will include in the Operating Budget all programs and facilities not

specifically, eligible for inclusion in the Capital Improvement Program.

- **Expenditure Growth.** The City will Budget expenditures for necessary and essential public purposes only, holding expenditure growth to levels consistent with realistic prospects for the community's ability to pay, both in the upcoming fiscal year and in the ensuing years as well.
- **Allocation of Costs.** The City will balance the financial burden of programs and facilities as fairly as possible between the general taxpayers and those who benefit directly, recognizing the common good that flows from many public expenditures, the inability of some citizens to pay the full costs of certain benefits, and the difficulty of measuring the relationship between public costs and public or private benefits in some services.
- **Expenditure Reduction.** The City will seek expenditure reductions whenever possible through efficiencies and through the reduction or elimination of programs, policies, and practices which have outlived their usefulness.
- **Public Investment in Infrastructure.** The City will, within available funds, plan and Budget for those facilities and infrastructure necessary for a healthy economy and for support of public programs determined to be necessary for the quality of life desired by its citizens.
- **Procurement.** The City will make purchases, directly or indirectly, through a competitive process except when an alternative method of procurement is specifically authorized by law.

Policies for Debt Management

- **Debt Management.** The City will minimize debt service costs through the judicious use of available debt instruments, consistent with the desirability of maintaining stable current tax rates and distributing the costs of certain long-lived facilities among all users, present and future.
- **Debt Incurrence.** The City will limit the amount of new general obligation debt it will plan for and issue in any six-year period to that which can be supported by the community under conservative fiscal and economic projections and to that

which will maximize the likelihood of sustaining the City's "AA" credit rating

Policies for Governmental Management

- **Productivity.** The City will measure and seek to increase the productivity of City Programs in terms of quantity and quality of services relative to resources expended, through program evaluation, employee training and incentives, and other strategies.
- **Risk Management.** The City will control its exposure to financial loss through a combination of commercial and self-insurance; will self-insure against all but highest cost risks; and will aggressively control its future shares among agencies through loss history.
- **Employee Compensation.** The City will seek to provide equitable pay among comparable jobs and City agencies and between employees in collective bargaining units and those outside of such units and will seek to contain the growth of compensation costs through organizational efficiencies and productivity within the workforce.
- **Pension Funds.** The City will, through judicious management and diversified investment, assure the security of the assets of the Employees Retirement System toward its solvency and regular benefits for future as well as present retirees and will continue to evaluate the accrued liability and adjust the funding rate when necessary.
- **Surplus Property.** The City will maximize the residual value of land parcels or buildings declared excess to current public needs through efforts at public reuse, lease to appropriate private organizations, or sale toward returning them to the tax base of the City. Deposition of goods that have become obsolete, unusable, or surplus to the needs of the City will be made through bid, auction or other lawful method to the purchaser offering the highest price except under circumstances as specified by law.
- **Resource Management.** The City will seek continued improvement in its Budgetary and financial management capacity to achieve the best possible decisions on resource allocation and the most effective use of Budgeted resources.

Governmental Accounting

Overview

Government accounting has many similarities to commercial accounting. For example, governmental accounting uses the double-entry system, journals, ledgers, trial balances, financial statements, internal control, etc. Differences arise due to the objectives and environment of government. The major differences include:

- 1)** The absence of a profit motive, except for governmental enterprises, such as utilities
 - 2)** A legal emphasis which involves restrictions both in raising and spending revenues
 - 3)** An emphasis of accountability or stewardship of resources entrusted to public officials
 - 4)** The recording of the Budget in some funds
 - 5)** The use of modified accrual accounting in some funds.
- The City does not currently utilize permanent or private purpose Trust Funds.

In the governmental funds, the objective is to provide services to the public. All funds are expendable, i.e., they are not concerned with preserving capital or measuring “net income.” Governmental funds are concerned with the availability of resources to provide services, and the emphasis is on working capital flows. Usually, only current assets and current liabilities are accounted for in the governmental funds. Fixed assets and long-term liabilities of governmental funds are reported only in the government-wide financial statements. The proprietary funds use accounting and reporting techniques like a private enterprise. The fiduciary funds are accounted for like proprietary funds.

Fund Accounting

There are three principles that deal specifically with fund accounting. These principles cover **1)** Definition of a fund **2)** Types of funds **3)** Number of funds.

A fund is defined by the Governmental Accounting Standards Board (GASB) as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities and balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

The City of Memphis report funds that are classified into three general types: Governmental, Proprietary, and Fiduciary.

Budgets and Their Impact Upon the Accounting System

GASB, in one of its basic principles, states that **1)** An annual Budget(s) should be adopted for every government unit **2)** The accounting system should provide the basis for appropriate Budgetary control **3)** A common terminology and classification should be used consistently throughout the Budget, the accounts, and the financial reports of each fund.

Generally Accepted Accounting Principles (GAAP) requires a Budgetary comparison for the general fund and for each major individual special revenue fund for which an annual (or bi-annual) Budget is legally adopted. The City Council annually approves a Budget ordinance that includes the City of Memphis General, Special Revenue, Debt Service and Enterprise Funds. Internal Service Funds are also included in the Adopted Budget. These Budgetary accounts are incorporated into the governmental

accounting system to provide legislative control over revenues and other resource inflows and expenditures and other resource outflows.

In order to prevent the overspending of an item in the appropriations Budget, an additional Budgetary account is maintained during the year. The account is called "Encumbrances." When goods or services are ordered, appropriations are encumbered. The "Encumbrances" account does not represent expenditures; it is a Budgetary account which represents the estimated cost of goods or services which have yet to be received. In effect, the recording of encumbrances represents the recording of executory contracts, which is essential to prevent overspending of an appropriation. Encumbrances of governmental funds outstanding at year end can be re-appropriated as deemed appropriate by the Comptroller during the subsequent fiscal year.

Financial Statements for State and Local Governments

The City of Memphis prepares an Annual Comprehensive Financial Report (ACFR) that includes Basic Financial Statements, Required Supplementary Information, Combining and Individual Fund Statements and Schedules, Supplementary Schedules, Single Audit, Statistical Section and the Management Discussion and Analysis (MD&A) as prescribed by GASB. Accrual basis accounting is recognition of revenues in the accounting period the revenues are earned and expenses in the accounting period the expenses are incurred. In addition, revenues and expenses have to be measurable in order to be reported.

All the Funds that use accrual accounting (except the Trust Funds) are non-expendable, i.e., an objective of each of the funds is to maintain capital. The modified accrual basis of accounting on the other hand, recognizes: **1)** Revenues in the accounting period in which they are both measurable and available to finance expenditures made during the current fiscal period. **2)** Expenditures in the accounting period in which the liabilities are both measured and incurred.

The modified accrual basis is used in the following funds:

Governmental Funds

General Fund
Special Revenue Fund
Debt Service Fund
Capital Projects Fund

All the funds which use the modified accrual basis are expendable and do not, therefore, have a capital maintenance objective.

General Fund is the most significant Governmental Fund. It accounts for all transactions not accounted for in any other fund. Revenues come from many sources and the expenditures cover major functions of government.

Special Revenue Funds account for earmarked revenue. The earmarked revenue is then used to finance various authorized expenditures. Many federal and state grants are reported in Special Revenue Funds.

The Debt Service Fund handles the repayment of general obligation long-term debt and interest. This type of debt is secured by the good faith and taxing power of the governmental unit. Repayment of enterprise and internal service long-term debt is accounted for in these individual funds. Consequently, the type of debt for which the Debt Service Fund is established usually is the result of issuing General Obligation Bonds for capital projects and revenue bonds for Enterprise Funds.

Capital Projects Funds account for acquisition and use of resources for the construction or purchase of major, long-lived fixed assets, except for those which are financed by Enterprise, Internal Service, and Non-Expendable Trust Funds. Resources for construction or purchase normally come from the issuance of general long-term debt and from governmental grants.

Proprietary Funds and Fiduciary Funds

Enterprise Internal Service

Pension Trust Funds OPEB

Enterprise Funds account for activities by which the government provides goods and services which are (1) rendered primarily to the public, (2) financed substantially or entirely through user charges, and (3) intended to be self-supporting. They are usually established for public utilities, and transit systems, etc.

Internal Service Funds are established to account for the provision of goods and services by one department of the government to other departments within the government on generally a cost reimbursement basis. Uses of Internal Service Fund services are budgeted through the budgets of the user departments.

Trust Funds are used to account for monies held for others, generally being used when assets are held for substantial periods of time. Trust Funds do not generally record their budgets formally.

Fund Balance

Fund Balance (the difference between assets and liabilities in the governmental fund financial statements) is among the most widely and frequently used information in state and local government financial reports.

The GFOA recommends an unreserved Fund Balance of 8 to 17 percent (i.e., one to two months) of regular general fund operating expenditures. The City of Memphis strives to maintain a General Fund balance of 10% of expenditures as a standing fiscal policy.

The City uses the classifications that have been developed by the Governmental Accounting Standards Board (GASB) and described in GASB Statement No. 54. Statement 54 is intended to improve the usefulness of information provided to financial report users about fund balance by providing clearer and more structured fund balance classifications, and by clarifying the definitions of existing governmental fund types. The GASB developed Statement 54 to address the diversity of

practice and the resulting lack of consistency that had evolved in fund balance reporting across governments. To reduce confusion, Statement 54 establish a hierarchy of fund balance classifications based primarily on the extent to which government is bound to observe spending constraints imposed upon how resources in governmental funds may be used. Statement 54 distinguishes fund balance between amounts that are considered completely "non-spendable" such as fund balance associated with inventories, and other "spendable" amounts that are classified based on the relative strength of the constraints that control the purposes for which specific amounts can be spent. Beginning with the most binding constraints, fund balance amounts are reported in the following classifications.

- **Non-spendable** - amounts that cannot be spent because they are either (a) not spendable form or (b) legally or contractually required to remain intact.
- **Restricted** - amounts constrained by external parties, constitutional provision, or enabling legislation. Effectively, restrictions may only be changed or lifted with the consent of the resource provider.
- **Committed** - amounts formally constrained by a government using its highest level of decision-making authority (i.e., City Council). The commitment of these funds can only be changed by the government taking the same formal action that imposed the constraint originally.
- **Assigned** - amounts a government intends to use for a particular purpose. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority (Chief Finance Officer).
- **Unassigned** - residual amounts that are not otherwise classified; these are available for any purpose. Balances must be in compliance with State Budgeting Laws or Regulations.

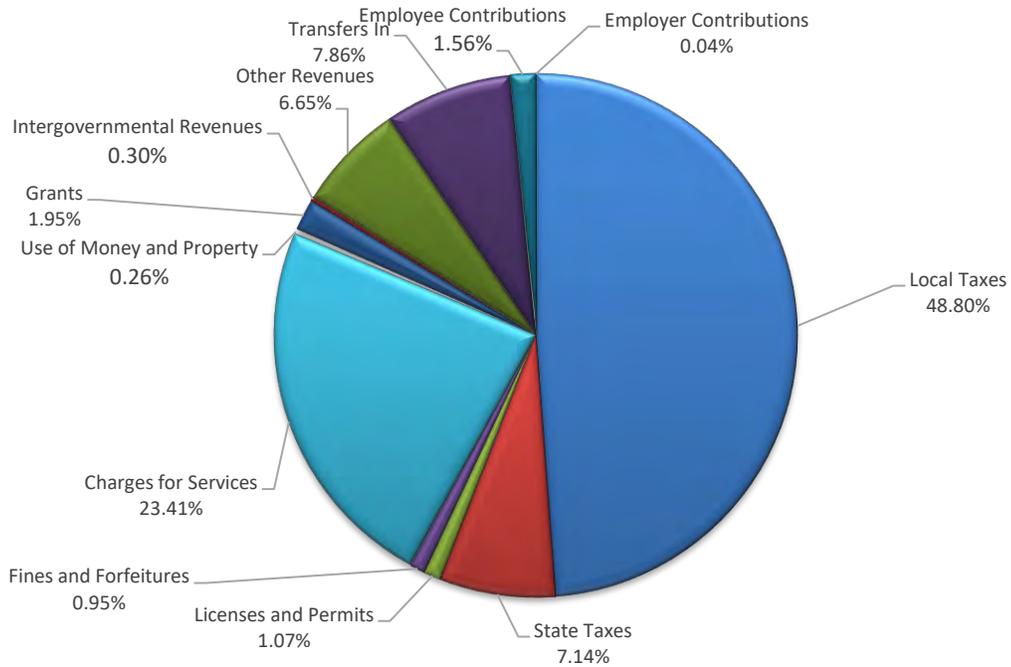
FINANCIAL SUMMARY

The financial data presented in this section presents the revenue and expenditure summaries of all City of Memphis funds. These funds represent all appropriated funds, major and non-major, in addition to the General Fund. The forecasted and Budget fund balances for each fund and for the collective funds are also shown in this section.

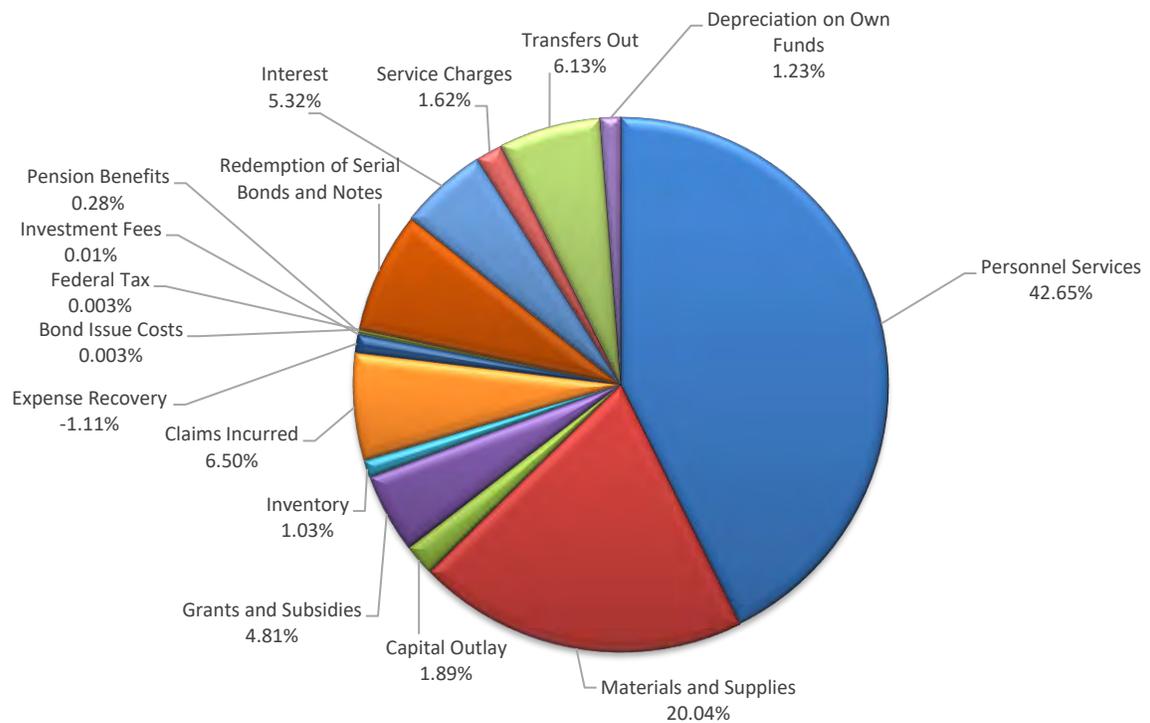
Budget Summary of All Funds

Category	FY20	FY21	FY21	FY22
	Actual	Adopted	Forecast	Adopted
Revenues				
Local Taxes	\$642,579,389	\$617,473,510	\$698,434,195	\$677,954,839
State Taxes	107,134,905	83,438,600	110,452,588	99,245,000
Licenses and Permits	14,398,107	15,686,550	16,651,790	14,802,750
Fines and Forfeitures	13,242,324	13,039,000	14,352,317	13,252,189
Charges for Services	293,863,906	329,229,508	325,611,940	325,203,560
Use of Money and Property	8,899,193	5,008,306	901,030	3,648,265
Grants	37,675,653	25,068,708	100,284,780	27,142,220
Intergovernmental Revenues	10,760,231	10,965,973	10,700,000	4,119,982
Other Revenues	343,127,282	99,478,221	77,117,225	92,419,505
Transfers In	106,271,497	104,039,277	111,039,310	109,228,279
Employee Contributions	17,929,838	26,466,400	20,852,434	22,275,160
Employer Contributions	650,163	0	644,850	0
Gain (Loss) on Investments	(5,588,599)	0	9,561,682	0
Gain (Loss) on Sale of Assets	1,237,088	0	1,364,239	0
Capital Contributions	1,333,462	0	0	0
Total Revenues	\$1,593,514,439	\$1,329,894,053	\$1,497,968,380	\$1,389,291,749
Expenditures				
Personnel Services	\$630,323,161	\$618,936,484	\$617,148,703	\$613,872,332
Materials and Supplies	248,078,909	270,877,023	275,084,172	288,449,439
Pension Expense	990,000	0	0	0
Capital Outlay	12,554,436	22,288,584	9,313,363	27,180,085
Grants and Subsidies	94,567,255	63,482,506	102,916,131	69,201,830
Inventory	13,243,484	14,995,535	12,677,610	14,855,803
Claims Incurred	82,586,078	106,803,000	87,587,560	93,530,000
Expense Recovery	(18,707,610)	(16,035,300)	(21,000,000)	(16,035,300)
Investment Fees	27,539	4,900	144,552	153,652
Pension Benefits	4,047,826	4,000,000	3,883,362	4,000,000
Project Cost	1,410	0	0	0
Federal Tax	0	38,000	36,000	42,000
Bond Issue Costs	1,871,552	40,000	1,096,855	38,000
Redemption of Serial Bonds	104,034,821	102,681,233	102,678,525	106,201,060
Interest	70,977,805	70,692,867	76,996,832	76,529,075
Service Charges	25,636,115	23,326,059	24,565,762	23,320,959
Transfers Out	50,107,219	47,436,833	71,944,470	88,251,930
Retirement of Refunded Debt	143,523,387	0	97,605,375	0
Depreciation on Own Funds	16,630,278	17,763,240	16,173,038	17,763,240
Misc. Expense	7,297,954	0	7,413,346	0
Total Expenditures	\$1,487,791,619	\$1,347,330,964	\$1,486,265,656	\$1,407,354,105
Surplus (Deficit)	\$105,722,820	(\$17,436,911)	(\$11,706,224)	(\$18,062,356)

FY 2022 ALL FUNDS REVENUES



FY 2022 ALL FUNDS EXPENDITURES



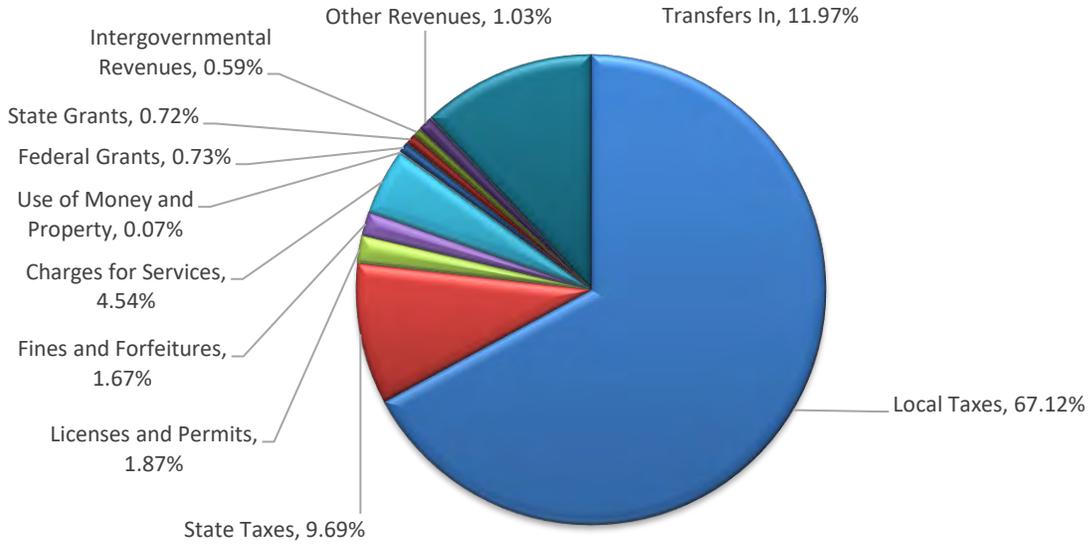
General Fund Summary

Category	FY20	FY21	FY21	FY22
	Actual	Adopted	Forecast	Adopted
Revenues				
Local	\$461,926,634	\$425,471,058	\$480,962,382	\$464,995,000
State	67,369,483	50,835,000	73,385,000	67,135,000
Licenses	12,278,028	13,795,550	14,381,750	12,952,750
Fines	11,750,599	11,763,000	9,690,154	11,547,200
Charges	34,004,244	33,950,400	34,187,724	31,451,900
Use	3,716,788	1,505,000	390,000	510,000
Federal	29,906,884	5,250,000	81,100,000	5,073,006
State	0	14,000,000	10,000,000	5,000,000
Intergovernmental	10,760,231	10,965,973	10,700,000	4,119,982
Other	17,236,012	5,976,376	14,538,581	7,127,875
Transfers	85,673,413	81,738,000	85,545,677	82,904,000
Proceeds	302,447	0	0	0
Total Revenues *	\$734,924,763	\$655,250,357	\$814,881,268	\$692,816,713
Expenditures				
Personnel	\$530,140,701	\$535,093,592	\$542,611,516	\$528,471,747
Materials	142,786,070	135,785,143	150,959,559	147,281,905
Capital	1,690,302	1,111,414	1,126,493	1,050,414
Grants and Subsidies	78,058,840	50,001,396	84,830,972	52,472,555
Inventory	319,748	453,599	429,763	313,867
Expense	(18,707,610)	(16,035,300)	(21,000,000)	(16,035,300)
Investment	0	0	112,461	149,652
Project	1,410	0	0	0
Service	184,716	198,200	208,222	200,600
Transfers	7,864,783	2,086,484	4,949,848	2,086,484
Misc.	485,140	0	2,510,193	0
Total Expenditures **	\$742,824,100	\$708,694,528	\$766,739,027	\$715,991,924
Surplus (Deficit)	(\$7,899,337)	(\$53,444,172)	\$48,142,241	(\$23,175,210)
Authorized Complement				6,617
Fund balance beginning	\$111,298,398	\$103,399,061	\$103,399,061	\$151,544,802
Fund balance year-end	\$103,399,061	\$49,954,892	\$151,544,802	\$128,369,592

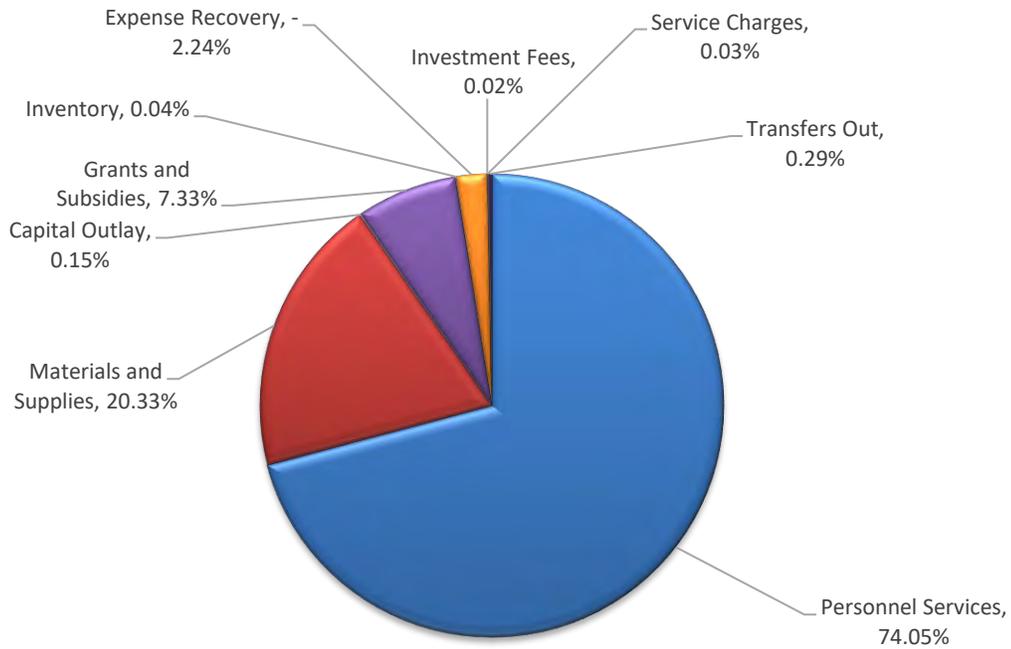
* Total Revenues do not reflect contribution from Fund Balance.

** Total Expenditures do not include contribution to Fund Balance.

FY2022 GENERAL FUND REVENUES



FY2022 GENERAL FUND EXPENDITURES



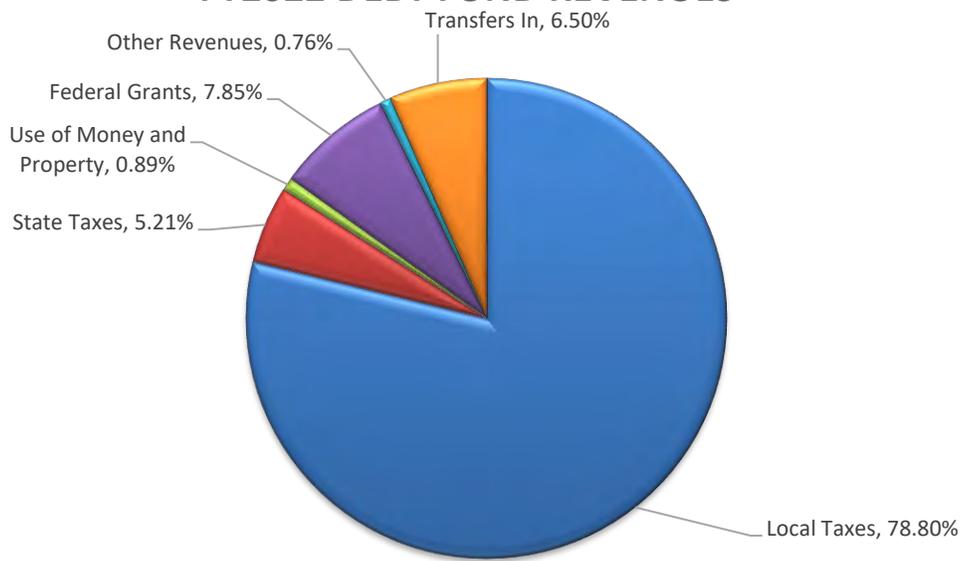
Debt Fund Summary

Category	FY20 Actual	FY21 Adopted	FY21 Forecast	FY22 Adopted
Revenues				
Local Taxes	\$136,880,879	\$136,077,197	\$137,537,795	\$136,201,839
State Taxes	16,789,512	14,800,000	14,267,588	9,000,000
Use of Money and Property	2,445,898	1,776,300	327,374	1,535,300
Federal Grants	2,969,768	2,321,358	1,550,000	13,561,864
Other Revenues	1,720,332	1,652,026	716,239	1,316,546
Transfers In	12,404,236	11,651,940	11,651,940	11,237,795
Other Revenues - Stadium Baseball	4,992	4,000	0	0
Proceeds from Refunded Debt	242,517,953	0	0	0
Total Revenues *	\$415,733,570	\$168,282,821	\$166,050,936	\$172,853,344
Expenditures				
Materials and Supplies	\$1,041,377	\$1,125,000	\$1,120,000	\$1,120,000
Investment Fees	5,162	4,900	4,000	4,000
Bond Issue Costs	1,401,856	40,000	38,000	38,000
Redemption of Serial Bonds and Notes	104,034,821	102,681,233	102,678,525	106,201,062
Interest	65,078,193	66,571,868	66,536,449	71,395,075
Service Charges	63,153	64,500	46,500	57,000
Transfers Out	767,188	0	5,984,781	0
Retirement of Refunded Debt	143,523,387	0	97,605,375	0
Misc. Expense	3,805,813	0	234,503	0
Total Expenditures **	\$319,720,950	\$170,487,501	\$274,248,133	\$178,815,137
Surplus (Deficit)	\$96,012,620	(\$2,204,680)	(\$108,197,197)	(\$5,961,793)
Authorized Complement				0
Beginning Fund Balance	\$77,929,221	\$173,941,840	\$173,941,840	\$65,744,643
Ending Fund Balance	\$173,941,841	\$171,737,160	\$65,744,643	\$59,782,850

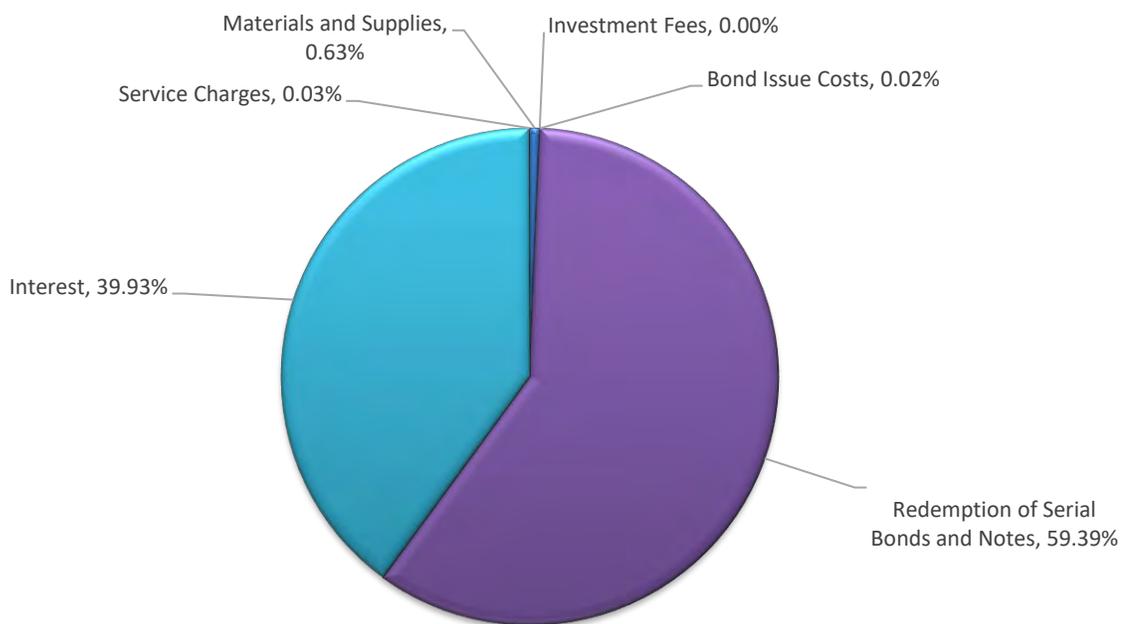
* Total Revenues do not include contribution from fund balance

** Total Expenditures do not include contribution to fund balance

FY2022 DEBT FUND REVENUES



FY2022 DEBT FUND EXPENDITURES



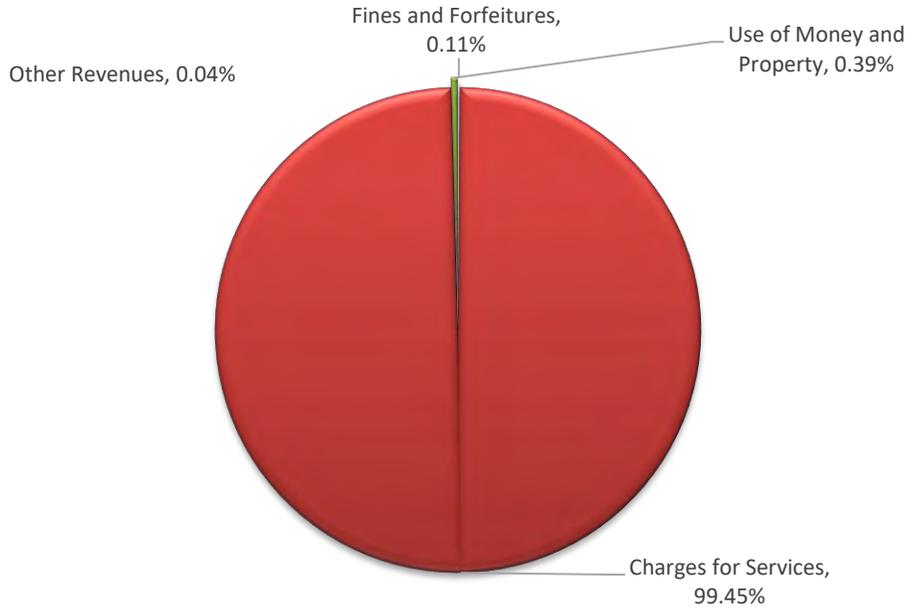
Enterprise Funds Summary

Category	FY20	FY21	FY21	FY22
	Actual	Adopted	Forecast	Adopted
Revenues				
Fines and Forfeitures	\$114,017	\$211,000	\$223,907	\$211,000
Charges for Services	163,895,901	189,852,785	188,290,161	189,328,307
Use of Money and Property	1,511,357	744,000	96,227	744,000
Federal Grants	260,614	0	100,000	0
State Grants	160,790	0	0	0
Other Revenues	164,969	102,000	268,602	83,000
Transfers In	329,065	0	2,793,560	0
Dividend and Interest on Investment	321,958	0	1,031,151	0
Gain (Loss) on Investments	224,783	0	1,229	0
Gain (Loss) on Sale of Assets	(144,009)	0	28,746	0
Capital Contributions	1,333,462	0	0	0
Total Revenues *	\$168,172,907	\$190,909,785	\$192,833,583	\$190,366,307
Expenses				
Personnel Services	\$59,372,949	\$37,069,447	\$36,561,764	\$37,475,756
Materials and Supplies	52,683,363	84,317,853	67,319,888	83,859,405
Pension Expense	990,00	0	0	0
Capital Outlay	1,929,501	16,435,040	3,508,821	21,599,040
Grants and Subsidies	100,000	150,000	272,500	252,500
Investment Fees	8,128	0	6,620	0
Bond Issue Costs	469,696	0	1,058,855	0
Interest	5,899,611	4,121,000	10,460,382	5,134,000
Service Charges	5,100	0	11,500	0
Transfers Out	10,977,510	10,977,000	12,160,677	13,769,797
Depreciation on Own Funds	16,621,724	17,667,140	16,164,484	17,667,140
Misc. Expense	2,545,182	0	4,307,922	0
Total Expenses **	\$151,602,764	\$170,737,480	\$151,833,413	\$179,757,638
Surplus (Deficit)	\$16,570,143	\$20,172,305	\$41,000,170	\$10,608,669
Authorized Complement				547
Beginning Fund Balance	\$553,972,261	\$570,542,407	\$570,542,407	\$611,542,579
Ending Fund Balance	\$570,542,407	\$590,714,711	\$611,542,578	\$622,151,248

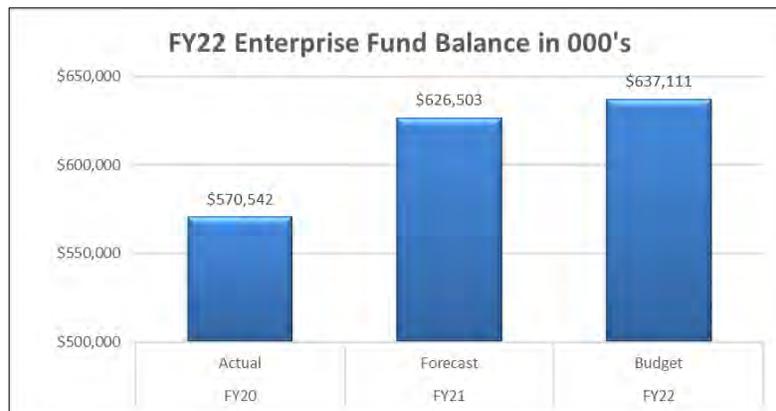
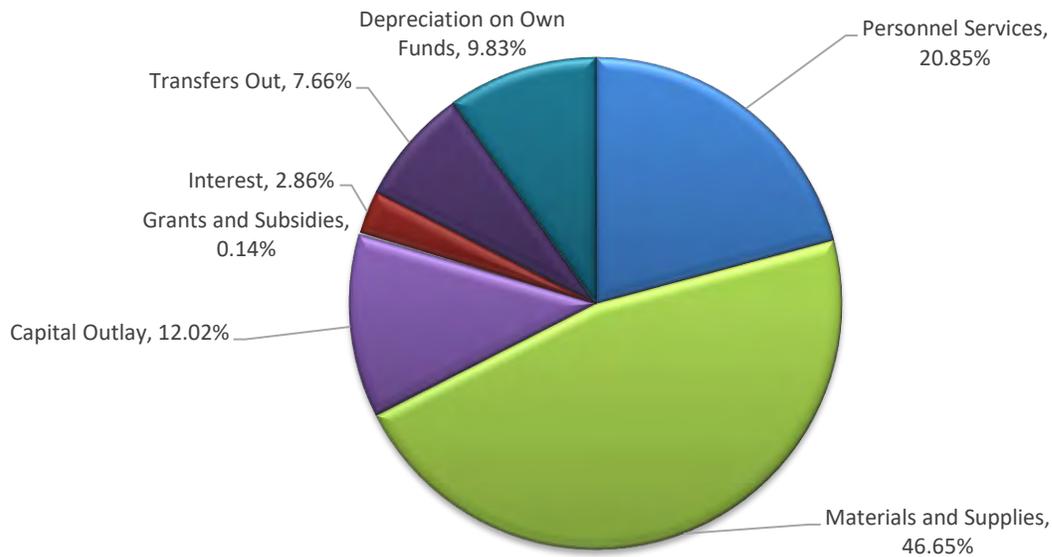
* Total Revenues do not reflect contribution from Fund Balance.

** Total Expenses do not include contribution to Fund Balance.

FY2022 ENTERPRISE FUND REVENUES



FY2022 ENTERPRISE FUND EXPENSES



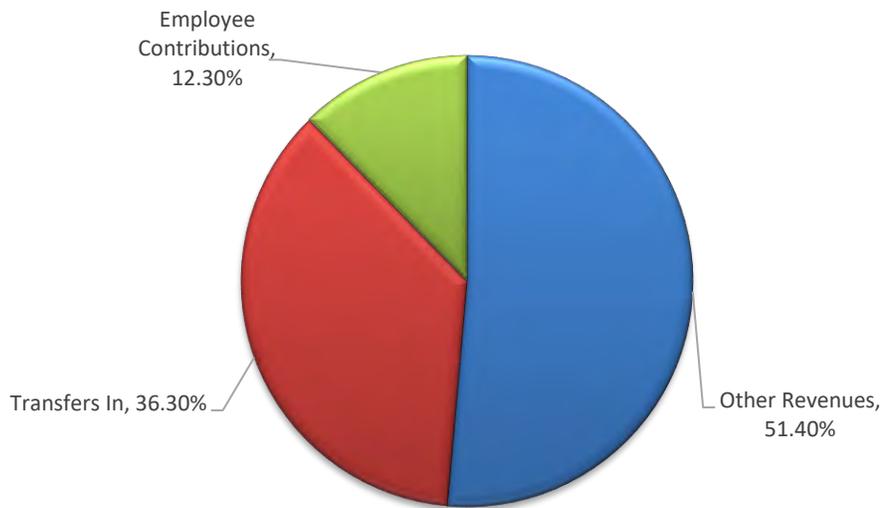
Fiduciary Fund Summary

Category	FY20 Actual	FY21 Adopted	FY21 Forecast	FY22 Adopted
Additions				
Other Revenues	\$9,330,062	\$17,840,711	\$13,884,275	\$12,087,000
Transfers In	4,589,783	6,324,149	3,542,333	8,536,484
Employee Contributions	1,924,417	5,049,000	3,316,430	2,892,000
Employer Contributions	117,043	0	101,490	0
Dividend and Interest on Investment	1,724,969	0	974,522	0
Gain (Loss) on Investments	(5,813,382)	0	9,560,452	0
Gain (Loss) on Sale of Assets	1,381,097	0	1,335,493	0
Total Additions *	\$13,253,989	\$29,213,861	\$32,714,995	\$23,515,484
Deductions				
Personnel Services	\$6,174,921	\$7,255,808	\$6,300,000	\$8,205,789
Materials and Supplies	615,089	564,053	716,613	769,039
Grants and Subsidies	538,568	360,000	360,000	360,000
Claims Incurred	7,789,514	21,082,000	10,095,436	13,944,000
Investment Fees	14,249	0	21,471	0
Pension Benefits	4,047,826	4,000,000	3,883,362	4,000,000
Federal Tax	0	2,000	0	2,000
Misc. Expense	32,066	0	291	0
Total Deductions **	\$19,212,233	\$33,263,861	\$21,377,173	\$27,280,828
Net Increase (Decrease) In Net Positions	(\$5,958,235)	(\$4,050,000)	\$11,337,822	(\$3,765,344)
Authorized Complement				3
Beginning Fund Balance	\$61,959,701	\$56,001,466	\$56,001,466	\$67,339,288
Ending Fund Balance	\$56,001,466	\$51,951,466	\$67,339,288	\$63,573,945

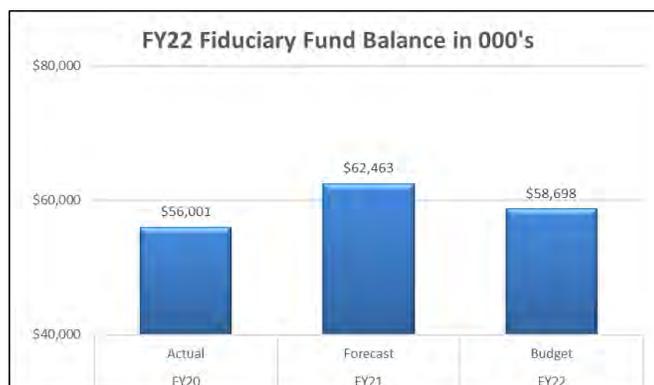
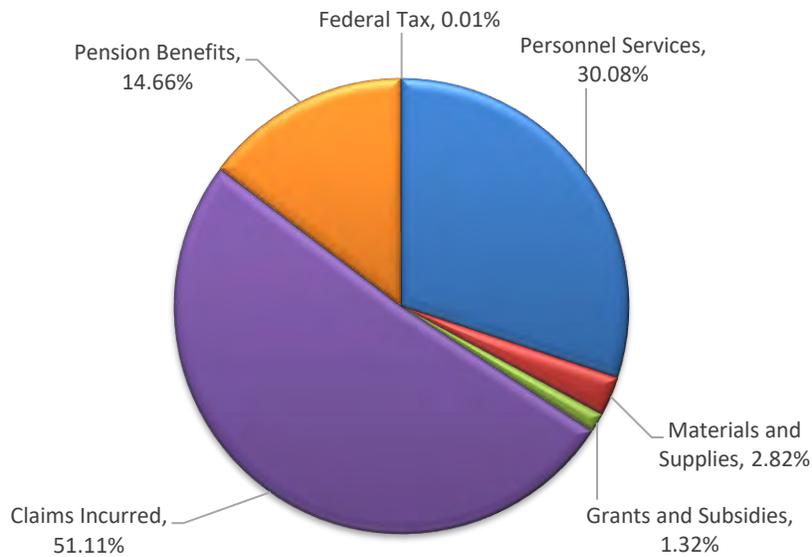
* Total Additions do not reflect contribution from Fund Balance.

** Total Deductions do not include contribution to Fund Balance.

FY2022 FIDUCIARY FUND REVENUES



FY2022 FIDUCIARY FUND EXPENSES



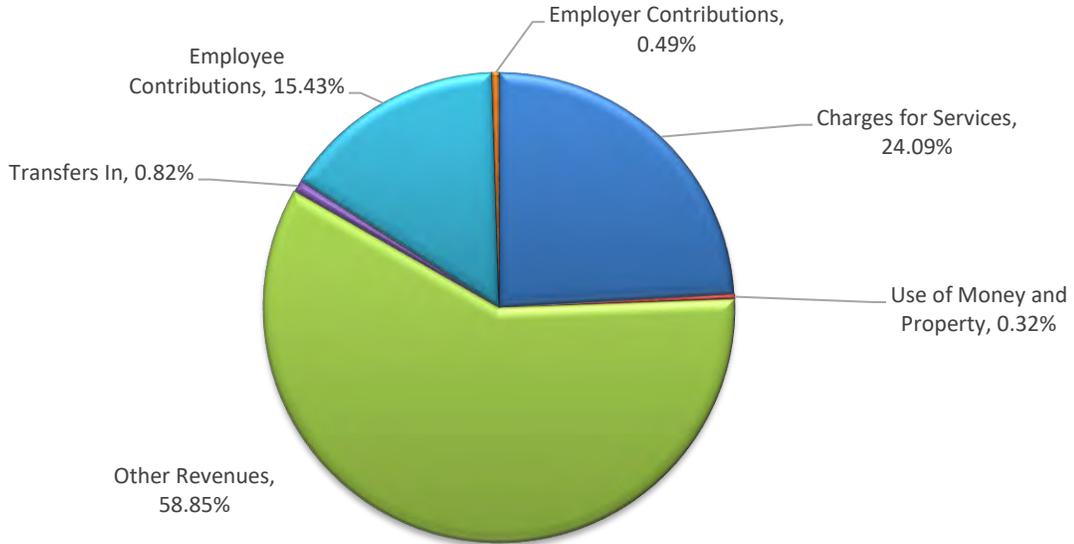
Internal Service Funds Summary

	FY20 Actual	FY21 Adopted	FY21 Forecast	FY22 Adopted
Revenues				
Charges for Services	\$28,624,905	\$30,325,742	\$26,594,055	\$29,322,771
Use of Money and Property	371,176	405,000	10,205	390,000
Other Revenues	68,369,199	73,714,878	69,860,525	71,630,000
Transfers In	3,000,000	275,189	813,447	1,000,000
Employee Contributions	16,005,421	20,831,000	17,536,004	18,787,000
Employer Contributions	533,120	586,400	543,360	596,160
Total Revenues *	\$116,903,821	\$126,138,209	\$115,357,596	\$121,725,931
Expenses				
Personnel Services	\$5,030,580	\$5,644,358	\$4,956,905	\$4,580,975
Materials and Supplies	19,460,422	17,268,447	19,234,174	20,272,357
Capital Outlay	650,070	403,453	551,986	403,453
Grants and Subsidies	151,587	105,810	200,000	105,810
Inventory	12,923,736	14,541,936	12,247,846	14,541,936
Claims Incurred	74,796,564	85,721,000	77,492,124	79,586,000
Federal Tax	0	36,000	36,000	40,000
Transfers Out	3,900,000	0	0	0
Depreciation on Own Funds	8,554	96,100	8,554	96,100
Misc. Expense	428,820	0	114,244	0
Total Expenses **	\$117,350,333	\$123,817,104	\$114,841,833	\$119,626,631
Surplus (Deficit)	(\$446,512)	\$2,321,105	\$515,763	\$2,099,300
Authorized Complement				10
Fund balance beginning of year	\$15,610,745	\$15,164,233	\$15,164,233	\$15,679,996
Fund balance end of year	\$15,164,233	\$17,485,338	\$15,679,996	\$17,779,296

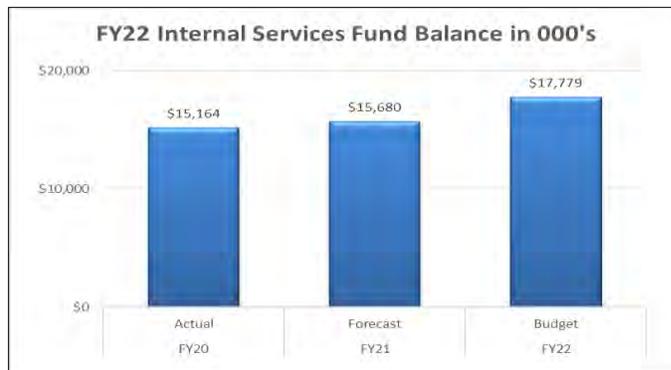
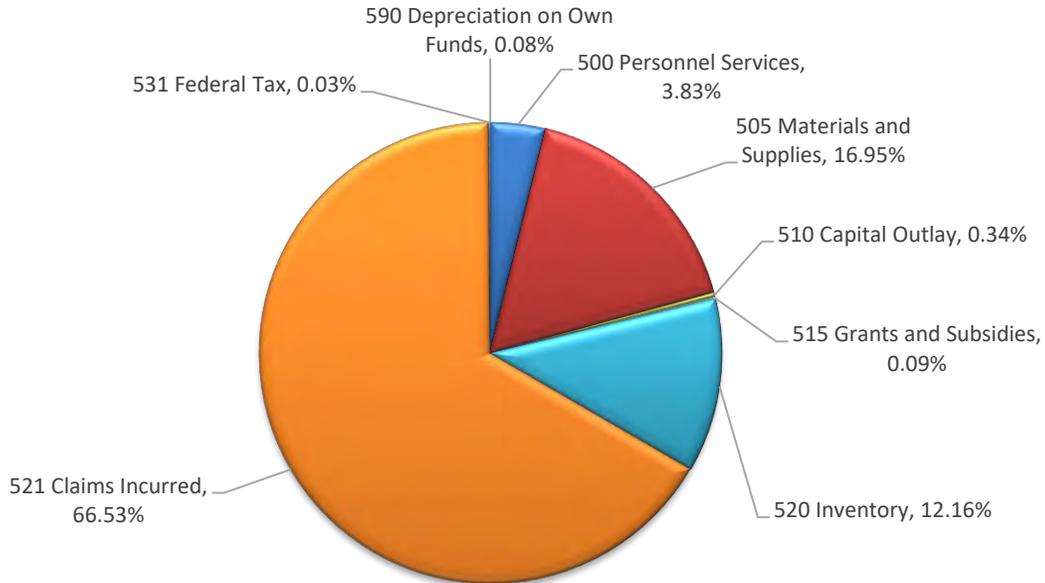
* Total Revenues do not reflect contribution from Fund Balance.

** Total Expenses do not include contribution to Fund Balance.

FY2022 INTERNAL SERVICE FUND REVENUES



FY2022 INTERNAL SERVICE FUND EXPENSES



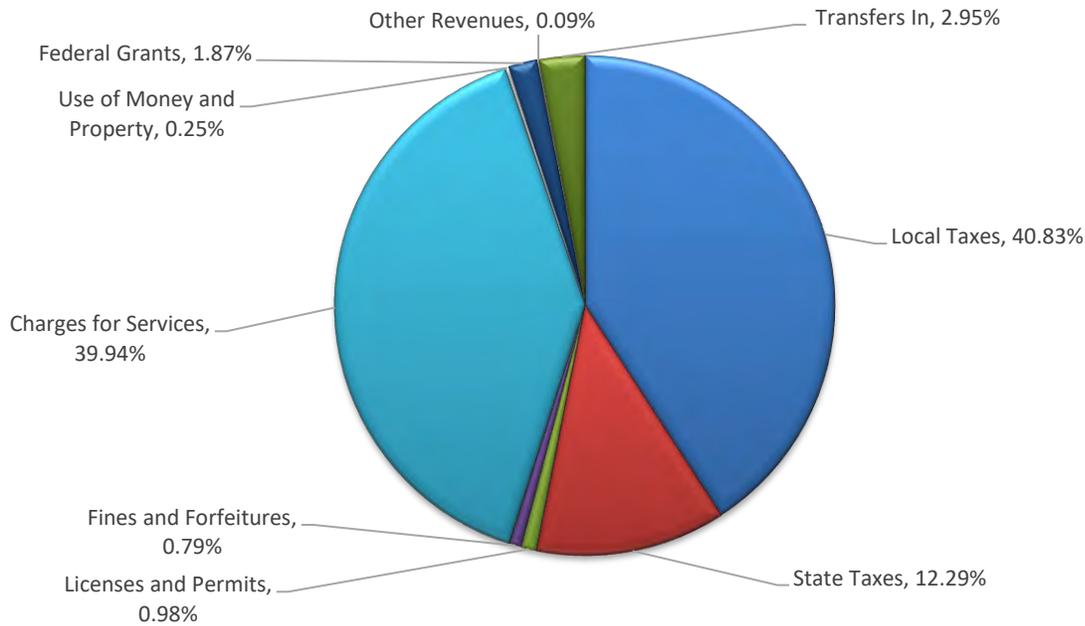
Special Revenue Funds Summary

Category	FY20	FY21	FY21	FY22
	Actual	Adopted	Forecast	Adopted
Revenues				
Local Taxes	\$43,771,877	\$55,925,255	\$79,934,024	\$76,758,000
State Taxes	22,975,910	17,803,600	22,800,000	23,110,000
Licenses and Permits	2,120,079	1,891,000	2,270,040	1,850,000
Fines and Forfeitures	1,377,709	1,065,000	1,738,256	1,493,989
Charges for Services	67,338,857	75,100,581	76,540,000	75,100,581
Use of Money and Property	853,974	578,006	77,223	468,965
Federal Grants	4,377,597	3,497,350	7,534,760	3,507,350
Other Revenues	1,434,386	188,228	143,330	175,084
Transfers In	275,000	4,050,000	7,413,364	5,550,000
Total Revenues *	\$144,525,389	\$160,099,020	\$198,450,997	\$188,013,969
Expenditures				
Personnel Services	\$29,604,010	\$33,873,280	\$26,718,521	\$33,393,724
Materials and Supplies	31,492,599	31,816,528	35,733,940	36,891,073
Capital Outlay	8,284,563	4,338,678	4,126,063	4,127,178
Grants and Subsidies	15,718,259	12,865,300	17,252,659	16,010,965
Service Charges	25,383,146	23,063,359	24,299,540	23,063,359
Transfers Out	26,597,738	34,373,348	48,849,164	72,395,649
Misc. Expense	933	0	246,194	0
Total expenditures **	\$137,081,248	\$140,330,493	\$157,226,081	\$185,881,948
Surplus (Deficit)	\$7,444,141	\$19,768,527	\$41,224,916	\$2,132,021
Authorized Complement				521
Fund balance beginning of year	\$61,256,307	\$68,700,448	\$68,700,448	\$109,925,365
Fund balance end of year	\$68,700,448	\$80,468,975	\$109,925,365	\$112,057,386

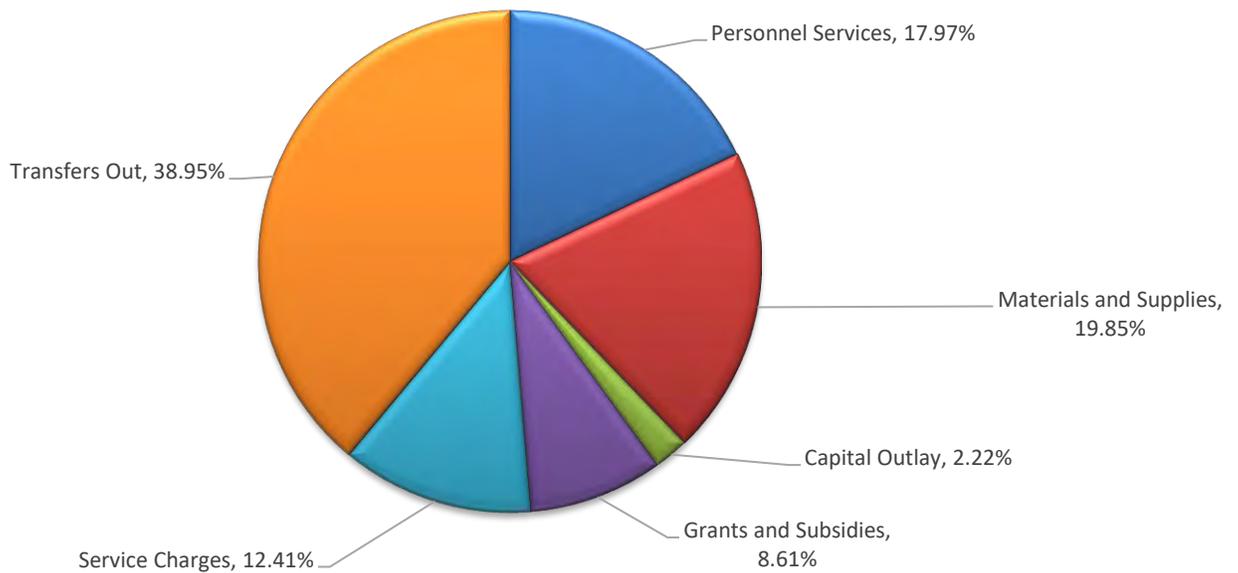
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FY2022 Special Revenue Fund Revenues



FY2022 Special Revenue Fund Expenditures





Property Tax Revenues

Property Tax revenues are the largest single source of operating revenues. This tax is levied based on the assessed value of various types of property including:

- Real property (land, structures, and lease-hold improvements),
- Personal property (business equipment, excluding inventories for resale) and
- State assessed property (public utility and transportation companies regulated by the State)

In 2021 Memphis’ assessed value of real property:

- 84.72% Residential
- 7.41% Commercial
- 1.64% Industrial
- 0.09% Farm
- 0.08% Multiple
- 6.06% Exempt

Assessment Percentage of Appraisal:

Residential	25%
Commercial	40%
Industrial	40%
Public Utility	55%
Farm	25%
Personal Property	30%

The assessed value of a residential property with an appraised value of \$100,000 would be \$25,000 (.25 x100,000), while a commercial property of the same appraised value would have an assessed value of \$40,000 (.40 x100,000).

Tax rates are set by the Council through the annual Budget process. These rates are set as necessary in order to fund a balanced Budget that provides services believed to be necessary and affordable.

The City Treasurer generates tax bills based on the following information: the assessed value of the property and the tax rate to figure each property tax bill. That office also collects the taxes.

To calculate the property tax bill, the assessed value is divided by \$100, and the result is multiplied by the tax rate. For example, a residential property appraised at \$100,000 would be assessed at \$25,000 (the \$100,000 appraised value times the 25% residential assessment ratio). With a tax rate set at \$2.70, the calculation is:

$$\text{tax} = (\$25,000/\$100) \times \$2.70 \text{ per } \$100 = \$675.00$$

Property tax bills are mailed to property owners and, if taxes are paid through an escrow account, to the mortgage holder. This normally occurs by July 1. Tax payments are due by the end of August.

Property Tax revenues along with other local tax sources provide the City with the largest source of revenue to the operating Budget.

Property appraisals are performed by the Shelby County Assessor of Property, except for public utilities which are assessed by the Tennessee Regulatory Authority. Appraised value is the estimated market value based on a point in time. Certain properties such as those held by government, religious, and charitable organizations. The properties were re-assessed during FY2021 and tax rates were adjusted for FY2022.

Historical property tax rates are displayed in the following table.

HISTORY OF PROPERTY TAXES

Tax Year	Fiscal Year	General Fund	Schools	Pre-K	Community Catalyst	Affordable Housing	Debt Service	Capital Pay Go	Total Rate
1982	1983	2.080000	1.140000				0.450000	0.0000	3.67
1983	1984	1.680000	1.000000				0.450000	0.0000	3.13
1984	1985	1.680000	1.000000				0.450000	0.0000	3.13
1985	1986	1.830000	1.030000				0.450000	0.0000	3.31
1986	1987	1.909800	1.030000				0.370200	0.0000	3.31
1987	1988	1.896660	1.030000				0.383340	0.0000	3.31
1988	1989	1.588270	1.090000				0.631730	0.0000	3.31
1989	1990	1.662870	1.030000				0.617130	0.0000	3.31
1990	1991	1.620490	1.030000				0.659510	0.0000	3.31
1991	1992	1.094100	0.665655				0.386900	0.0000	2.15
1992	1993	1.304296	0.804955				0.566704	0.0000	2.68
1993	1994	1.610611	0.967537				0.596990	0.0000	3.18
1994	1995	1.672400	0.967538				0.535200	0.0000	3.18
1995	1996	1.672400	0.967538				0.535200	0.0000	3.18
1996	1997	1.672400	0.967538				0.535200	0.0000	3.18
1997	1998	1.672400	0.967538				0.535200	0.0000	3.18
1998	1999	1.376300	0.840675				0.548800	0.0000	2.77
1999	2000	1.376300	0.840675				0.548800	0.0000	2.77
2000	2001	1.751000	0.894900				0.724100	0.0000	3.37
2001	2002	1.678500	0.857800				0.694100	0.0000	3.23
2002	2003	1.675300	0.857800				0.694100	0.0032	3.23
2003	2004	1.675300	0.857800				0.694100	0.0032	3.23
2004	2005	1.675300	0.857800				0.694100	0.0032	3.23
2005	2006	1.908800	0.827100				0.694100	0.0032	3.43
2006	2007	1.908800	0.827100				0.694100	0.0032	3.43
2007	2008	1.908800	0.827100				0.694100	0.0032	3.43
2008	2009	2.342700	0.190000				0.714100	0.0032	3.25
2009	2010	2.291700	0.186800				0.714100	0.0031	3.19
2010	2011	2.291700	0.186800				0.714100	0.0031	3.19
2011	2012	2.471700	0.000000				0.714100	0.0031	3.19
2012	2013	2.291700	0.100000				0.715200	0.0031	3.11
2013	2014	2.487400	0.000000				0.909300	0.0033	3.40
2014	2015	2.312500	0.000000				1.084200	0.0033	3.40
2015	2016	2.312500	0.000000				1.084200	0.0033	3.40
2016	2017	2.312500	0.000000				1.084200	0.0033	3.40
2017	2018	2.225088	0.000000				1.043218	0.003175	3.271481
2018	2019	2.163984	0.000000	0.010000			1.018900	0.003102	3.195986
2019	2020	2.163984	0.000000	0.010000	0.006667	0.006667	0.998900	0.009768	3.195986
2020	2021	2.177318	0.000000	0.010000	0.000000	0.000000	0.998900	0.009768	3.195986
2021	2022	1.847277	0.000000	0.010000	0.000000	0.000000	0.847485	0.008287	2.713049

ORDINANCE 5785 APPROPRIATION ORDINANCE

AN ORDINANCE TO APPROPRIATE THE PROCEEDS OF THE TAX LEVY ON THE ASSESSED VALUES ON ALL PROPERTIES OF EVERY SPECIES WITHIN THE CITY LIMITS FOR GENERAL PURPOSES FOR THE FISCAL YEAR JULY 1, 2021 THROUGH JUNE 30, 2022, INCLUSIVE, TOGETHER WITH ALL COLLECTIONS FROM PRIVILEGES, LICENSES, FEES, FINES, PERMITS, CHARGES, REQUESTS, TRANSFERS FROM NON-BUDGET ACCOUNTS, EARNINGS, REF UNDS, AND ALL OTHER ITEMS CONSTITUTING THE REVENUE RECEIPTS OF THE CITY OF MEMPHIS FOR THE FISCAL YEAR JULY 1, 2021 THROUGH JUNE 30, 2022, INCLUSIVE, TO PROVIDE THE MANNER IN WHICH MONIES MAY BE TRANSFERRED FROM ONE FUND TO ANOTHER AND TO PROVIDE THE STANDARD CODE OR DESIGNATIONS UNDER WHICH THE APPROPRIATIONS ARE TO BE ADMINISTERED AND ACCOUNTING CONTROL MAINTAINED.

SECTION 1. BE IT ORDAINED that the anticipated receipts herein appropriated shall be designated as follows:

1. **GENERAL FUND**, which shall embrace all expenditures for the accounts of the City corporation, except for the expenditures hereinafter appropriated to the Special Revenue Funds, Debt Service Fund, Enterprise Funds, Internal Service Fund and Fiduciary Funds, including current operations and outlays for construction and equipment to be made from receipts herein appropriated.

GENERAL FUND GENERAL REVENUES

LOCAL TAXES	
Ad Valorem Tax- Current	255,000,000
Ad Valorem Tax - Current Sale of Receivables	6,000,000
Ad Valorem Tax Prior	3,500,000
Special Assessment Tax	725,000
Prop Taxes Interest & Penalty	5,600,000
Bankruptcy Interest & Penalty	100,000
	1,000,000
PILOT's	5,000,000
State Apportionment TVA	7,800,000
Local Sales Tax	130,000,000
Beer Sales Tax	15,000,000
Alcoholic Beverage Inspection Fee	6,600,000
Mixed Drink Tax	5,000,000
Gross Rec Business Tax	12,000,000
Bank Excise Tax	2,000,000
Franchise Tax - Telephone	1,000,000
Cable TV Franchise Fees	4,200,000
Fiber Optic Franchise Fees	1,400,000
Misc. Franchise Tax	850,000
Interest, Penalties & Commission	350,000
Business Tax Fees	1,300,000
Misc. Tax Recoveries	300,000
MLGW Pipeline	270,000
TOTAL LOCAL TAXES	464,995,000

**ORDINANCE 5785
APPROPRIATION ORDINANCE**

STATE TAXES	
State Sales Tax	64,000,000
Telecommunication Sales Tax	1,000,000
Sports Betting	100,000
State Shared Beer Tax	300,000
Alcoholic Beverage Tax	450,000
Spec Petroleum Product Tax	1,285,000
Total Sales Tax	67,135,000
LICENSES & PERMITS	
Auto Registration Fee	12,000,000
Dog License	225,000
County Dog License Fee	88,000
Liquor By Ounce License	240,000
Taxi Drivers License	6,000
Gaming Pub Amus Perm Fee	3,750
Wrecker Permit Fee	20,000
Misc. Permits	170,000
Beer Application	30,000
Beer Permit Privilege Tax	135,000
Sidewalk Permit Fees	35,000
TOTAL LICENSES & PERMITS	12,952,750
FINES AND FORFEITURES	
Court Fees	4,200,000
Court Costs	4,000,000
Fines & Forfeitures	3,000,000
Seizures	20,000
Arrest Fees	70,000
DUI BAC Fees	2,000
Sex Offender Registry Fees	100,000
Library Fines & Fees	120,000
Vacant Property Registration Fee	35,200
TOTAL FINES & FORFEITURES	11,547,200
CHARGES FOR SERVICES	
Subdivision Plan Inspection Fee	250,000
Parking	150,000
Senior Citizen's Meals	50,000
Concessions	2,000,000
Golf Car Fees	1,000,000
Pro Shop Sales	125,000
Green Fees	1,300,000
Softball	25,000
Ballfield Permit	15,000

**ORDINANCE 5785
APPROPRIATION ORDINANCE**

Class Fees	500
Parking Meters	800,000
Ambulance Service	20,400,000
Rental Fees	1,400,000
MLG&W Rent	2,400
Rent of Land	210,000
Parking Lots	400,000
Easements & Encroachments	65,000
Tax Sales Attorney Fees	600,000
Street Cut Inspection Fee	50,000
Traffic Signals	175,000
Signs-Loading Zones	30,000
Arc Lights	4,000
Wrecker & Storage Charges	800,000
Shelter Fees	300,000
Police Special Events	350,000
Outside Revenue	300,000
Tow Fees	600,000
HCD-Docking Fees	50,000
TOTAL CHARGES FOR SERVICES	31,451,900
USE OF MONEY	
Interest on Investments	400,000
Net Income/Investors	50,000
State Litigation Tax Commission	60,000
TOTAL USE OF MONEY	510,000
FEDERAL GRANTS	5,073,006
TOTAL FEDERAL GRANTS	5,073,006
STATE GRANTS	5,000,000
TOTAL STATE GRANTS	5,000,000
INTERGOVERNMENTAL REVENUES	
International Airport	4,119,982
TOTAL INTERGOVERNMENTAL REVENUES	4,119,982
OTHER REVENUES	
Miscellaneous Auctions	2,500,000
Local Shared Revenue	675,000
Anti-Neglect Enforcement	3,000
Property Insurance Recoveries	135,000
Rezoning Ordinance Publication Fees	5,000
Sale Of Reports	435,000
City of Bartlett	1,034,000

**ORDINANCE 5785
APPROPRIATION ORDINANCE**

Utility Warranty Program	135,000
Miscellaneous Income	300,000
Subdivision Sidewalk Fees	25,000
Sewer Fund Cost Allocation	1,075,000
Fire - Misc. Collections	45,000
Donated Revenue	600,000
Coca - Cola Sponsorship	100,000
Vendor Rebates	10,000
FNMA Services Fees	875
Subrogation Claims	50,000
TOTAL OTHER REVENUES	7,127,875
TRANSFERS IN	
In Lieu Of Taxes-MLGW	56,411,000
In Lieu Of Taxes-Sewer	10,300,000
Oper Tfr In - Solid Waste Fund	750,000
Oper Tfr In-Sales Tax Referendum 2019 Fund	12,000,000
Oper Tfr In-Sewer Fund	1,737,000
Oper Tfr In - Metro Alarm Fund	1,600,000
Oper Tfr In - Storm Water Fund	106,000
TOTAL TRANSFERS IN	82,904,000
Contributed From Unassigned Fund Balance	23,175,211
General Fund Revenues	692,816,713
TOTAL GENERAL REVENUES	715,991,924

**GENERAL FUND
EXPENDITURE BUDGET**

EXECUTIVE	
Mayor's Office	1,032,135
Chief Administrative Office	3,172,009
Auditing	936,837
311 Call Center	559,030
Office of Youth Services and Community Affairs	5,039,269
Intergovernmental Affairs	636,624
CLERB	299,153
Memphis Animal Services	4,472,296
Community Affairs	1,649,818
Communications	2,197,931
Office of Performance Mgmt.	648,365
Memphis Public Service Corp.	1,256,447
TOTAL EXECUTIVE	21,899,914

**ORDINANCE 5785
APPROPRIATION ORDINANCE**

FINANCE	
Administration	627,455
Financial Accounting	3,162,530
Purchasing	1,385,051
Budget	566,322
Debt Management	224,455
City Treasurer	3,450,112
Financial & Strategic Planning Office	319,511
Equal Business Opportunity & Development Programs	1,918,552
Office of Comprehensive Planning	2,145,745
TOTAL FINANCE	13,799,733
FIRE	
Administration	4,204,500
Apparatus Maintenance	8,346,300
Logistical Services	2,168,233
Training	3,091,407
Communications	7,778,389
Prevention	5,427,862
Firefighting	113,713,072
Emergency Medical Services (EMS)	41,729,845
Airport	4,219,329
TOTAL FIRE	190,678,937
POLICE	
Executive Administration	36,205,897
Support Services	41,013,993
Uniform Patrol/Precincts	140,500,789
Investigative Services	29,709,327
Special Operations	28,293,587
TOTAL POLICE	275,723,593
PARKS	
Administration	1,997,722
Planning & Development	422,141
Parks Operations	6,442,682
Park Facilities	3,917,160
Zoo	3,658,242
Brooks Museum	707,313
Memphis Botanic Gardens	596,749
Sports Centers	3,096,125
Recreation Centers	8,972,499
Support Service Golf	5,398,385
Sports Services	3,740,757

**ORDINANCE 5785
APPROPRIATION ORDINANCE**

TOTAL PARKS	38,949,775
PUBLIC WORKS	
Administration	1,380,916
Street Maintenance	5,102,142
Neighborhood Improvements	10,828,060
TOTAL PUBLIC WORKS	17,311,118
HUMAN RESOURCES	
Administration	376,576
Talent Management	4,755,041
Compensation	1,011,858
Equity, Diversity & Inclusion	1,244,031
HR Operations	301,264
HR Analytics & Performance	842,153
TOTAL HUMAN RESOURCES	8,530,923
GENERAL SERVICES	
Administration	2,341,336
Property Maintenance	13,204,783
Real Estate	745,042
Operation Of City Hall	6,517,877
Fleet Management	1,024,031
TOTAL GENERAL SERVICES	23,833,069
HOUSING & COMMUNITY DEVELOPMENT	
Housing Community	1,897,968
Housing Community Development Housing	970,453
Economic Development	335,836
Community Initiatives	1,628,479
TOTAL HOUSING & COMMUNITY DEVELOPMENT	4,832,736
CITY ATTORNEY	14,505,331
ENGINEERING	
Planning Design & Construction	3,245,390
Signs & Markings	3,231,429
Signal Maintenance	3,305,848
Prevailing Wages	118,426
TOTAL ENGINEERING	9,901,093
LIBRARY	22,919,401
INFORMATION SYSTEMS	
Information Systems Admin	11,607,476

**ORDINANCE 5785
APPROPRIATION ORDINANCE**

Information Systems Operations	12,220,284
TOTAL INFORMATION SYSTEMS	23,827,760
CITY COUNCIL	2,764,496
CITY COURT JUDGES	809,764
CITY COURT CLERK	
City Court Clerk	3,824,079
Red Light Camera	3,425,646
TOTAL CITY COURT CLERK	7,249,725
GRANTS & AGENCIES	
Aging Commission of the Mid-South	144,000
Community Initiatives Grants for Non-Profits	2,600,000
Blight Authority of Memphis	400,000
Memphis & Shelby County Film and Television Commission	225,000
Family Safety Center of Memphis and Shelby County	350,000
Juvenile Intervention and Faith-Based Follow Up (JIFF)	250,000
Black Business Association	300,000
Southern Heritage Classic	100,000
Kindred Place	110,000
MLGW Citizen's Assistance Grant	1,000,000
Shelby County School Mixed Drink Proceeds	2,500,000
Shelby County School Settlement	1,333,335
Convention Center	2,425,000
Innovate Memphis	300,000
MATA	19,170,000
Urban Art	150,000
Pensioners Insurance	8,373,569
Memphis River Park	3,024,000
The 800 Initiative	500,000
Expense Recovery (State Street Aid)	(5,500,000)
Oper Tfr Out - HUB Community Impact Fund	550,000
TOTAL GRANTS & AGENCIES	38,304,904
INVESTMENT FEES (Unallocated)	149,652
TOTAL INVESTMENT FEES	149,652
TOTAL EXPENDITURES / TRANSFERS GENERAL FUND	715,991,924
2. SPECIAL REVENUE FUNDS	
A. HOTEL/MOTEL TAX FUND	
HOTEL/MOTEL TAX FUND	

**ORDINANCE 5785
APPROPRIATION ORDINANCE**

REVENUE BUDGET	
Hotel/Motel Tax	3,000,000
Occupancy Increase	3,000,000
Room Night Assessment	4,000,000
Contributed from Fund Balance	3,593,050
TOTAL REVENUES	13,593,050
EXPENDITURE BUDGET	
Convention/Visitor's Bureau	3,960,000
Memphis/Shelby County Sports	3,000,000
Transfer Out-Debt Service Fund	6,633,050
TOTAL EXPENDITURES	13,593,050
B. METRO ALARM FUND	
METRO ALARM FUND	
REVENUE BUDGET	
Alarm Revenue	1,855,000
Contributed From Fund Balance	317,704
TOTAL REVENUE	2,172,704
EXPENDITURE BUDGET	
Personnel Services	392,454
Materials and Supplies	180,250
Oper Transfer Out-General Fund	1,600,000
TOTAL EXPENDITURES	2,172,704
C. SOLID WASTE MANAGEMENT FUND	
SOLID WASTE MANAGEMENT FUND	
REVENUE BUDGET	
Solid Waste Disposal Fee	74,560,581
Sanitation Inspection Fee	540,000
Local Taxes	100,000
Use of Money and Property	53,000
Other Revenues	25,084
EXPENDITURE BUDGET	
Personnel Services	31,901,270
Materials and Supplies	12,750,501

**ORDINANCE 5785
APPROPRIATION ORDINANCE**

Capital Outlay	1,120,000
Service Charges	23,063,359
Transfers Out	3,394,299
Contributed To Fund Balance	3,049,236
TOTAL EXPENDITURES	75,278,665
D. DRUG ENFORCEMENT FUND	
DRUG ENFORCEMENT	
REVENUE BUDGET	
Fines & Forfeitures	1,493,989
Federal Grants	70,000
Contributed From Fund Balance	1,724,461
TOTAL REVENUES	3,288,450
EXPENDITURE BUDGET	
Personnel Services	1,100,000
Materials and Supplies	1,884,950
Capital Outlay	303,500
TOTAL EXPENDITURES	3,288,450
E. PARK SPECIAL SERVICE FUND	
PARK SPECIAL SERVICE	
REVENUE BUDGET	
Local Sales Tax	120,000
Use of Money & Property	40,000
TOTAL REVENUES	160,000
EXPENDITURE BUDGET	
Contributed To Fund Balance	160,000
TOTAL EXPENDITURES	160,000
F. STATE STREET AID FUND	
STATE STREET AID	
REVENUE BUDGET	
State Gas - Motor Fuel Tax	11,860,000
Three-Cent Tax	3,500,000
One-Cent Tax	1,850,000
IMPROVE Act	5,900,000
TOTAL REVENUES	23,110,000
EXPENDITURE BUDGET	

**ORDINANCE 5785
APPROPRIATION ORDINANCE**

Materials and Supplies	21,341,700
Transfer Out-Debt Service Fund	1,768,300
TOTAL EXPENDITURES	23,110,000
G. FIRE EMS FUND	
FIRE EMS	
REVENUE BUDGET	
<i>Federal Grants</i>	3,437,350
TOTAL REVENUE	3,437,350
EXPENDITURE BUDGET	
Materials and Supplies	733,672
Capital Outlay	2,703,678
TOTAL EXPENDITURE	3,437,350
H. PRE-K FUND	
PRE-K	
REVENUE BUDGET	
Local Taxes	2,038,000
OperTfr in - Sales Tax Referendum 2019	5,000,000
TOTAL REVENUE	7,038,000
EXPENDITURE BUDGET	
Grants and Subsidies	6,000,000
Contributed To Fund Balance	1,038,000
TOTAL EXPENDITURE	7,038,000
I. HUB COMMUNITY IMPACT FUND	
HUB COMMUNITY IMPACT	
REVENUE BUDGET	
Oper Tfr In - General Fund	550,000
Use of Money and Property	965
TOTAL REVENUE	550,965
EXPENDITURE BUDGET	
Grants and Subsidies	550,965
TOTAL EXPENDITURE	550,965

**ORDINANCE 5785
APPROPRIATION ORDINANCE**

J. SALES TAX REFERENDUM FUND	
SALES TAX REFERENDUM	
REVENUE BUDGET	
Local Sales Tax	62,000,000
TOTAL REVENUE	62,000,000
EXPENDITURE BUDGET	
Oper Tfr Out - General Fund	34,000,000
Oper Tfr Out - Pre-K	5,000,000
Oper Tfr Out - Healthcare Fund	1,000,000
Oper Tfr Out - OPEB Fund	7,000,000
Oper Tfr Out - Pension Fund	2,000,000
Oper Tfr Out - CIP Fund	10,000,000
Contributed To Fund Balance	3,000,000
TOTAL EXPENDITURE	62,000,000
K. LIFE INSURANCE FUND	
LIFE INSURANCE	
REVENUE BUDGET	
Other Revenues	150,000
Use of Money & Property	370,000
TOTAL REVENUES	520,000
EXPENDITURE BUDGET	
Contributed To Fund Balance	520,000
TOTAL EXPENDITURES	520,000
L. NEW MEMPHIS ARENA FUND	
NEW MEMPHIS ARENA	
REVENUE BUDGET	
Local Taxes	2,500,000
TOTAL REVENUES	2,500,000
EXPENDITURE BUDGET	
Grants and Subsidies	2,500,000
TOTAL EXPENDITURES	2,500,000

**ORDINANCE 5785
APPROPRIATION ORDINANCE**

3. DEBT SERVICE FUND	
The Debt Service Fund shall embrace expenditures for the payment of interest and installments on the public debt.	
DEBT SERVICE FUND	
REVENUE BUDGET	
Current Property Tax	119,000,000
Delinquent Property Tax	1,600,000
Sale of Delinquent Accounts	2,700,000
Local Option Sales Tax	9,700,000
In Lieu Of Taxes-Contractual	2,201,839
Tourism Development Zone Local	1,000,000
State Taxes	9,000,000
Use of Money	1,535,300
Federal Grants	13,561,864
Other Revenue	1,316,546
Transfer In-State Street Aid	1,768,300
Transfer In-Hotel/Motel Fund	6,633,050
Transfer In-Solid Waste	2,644,299
Transfer In -Misc. Grants Fund	192,146
Contributed From Restricted Fund Balance	1,861,569
Contributed From Fund Balance	4,100,224
TOTAL REVENUES/ TRANSFERS IN	178,815,137
EXPENDITURE BUDGET	
Principal-Serial Bonds, Notes, and Leases	106,201,062
Interest-Serial Bonds, Notes, and Leases	71,395,075
Other	1,181,000
Bond Issue Cost	38,000
TOTAL EXPENDITURES	178,815,137
4. ENTERPRISE FUNDS	
A. SEWER FUND which shall embrace expenditures from City Sewer Fees, Connection Fees, Miscellaneous Fees, and other monies used for Sewer Services operating and debt service purposes.	
SEWER FUND	
REVENUE BUDGET	
Sewer Fees	151,850,000
Subdivision Development Fees	450,000
Rents	43,307
Use of Money and Property	600,000

**ORDINANCE 5785
APPROPRIATION ORDINANCE**

Fines & Forfeitures	201,000
Special Sewer Connections	20,000
Biogas Revenue	65,000
Other Revenue	83,000
Contributed From Fund Balance	1,068,054
TOTAL REVENUES	154,380,361
EXPENSE BUDGET	
Personnel	25,657,050
Materials and Supplies	75,027,714
Capital Outlay	19,847,000
Debt Service -Interest	9,515,900
State Loan Interest	1,307,556
In-Lieu-Of Payment-General	11,926,797
Dividend To General Fund	1,300,000
Depreciation on Own Fund	15,250,800
Transfer-Out General Fund	437,000
TOTAL EXPENSES	160,269,817
B. STORM WATER FUND which shall embrace expenditures from City Storm Water Fees, Drainage Fees, Miscellaneous Fees, and other monies used for Storm Water Services operating and debt service purposes.	
STORM WATER FUND	
REVENUE BUDGET	
Storm Water Fees	36,900,000
Use of Money and Property	144,000
Fines & Forfeitures	10,000
TOTAL REVENUES	37,054,000
EXPENSE BUDGET	
Personnel	11,818,706
Materials & Supplies	8,831,690
Capital Outlay	1,752,040
Grants and Subsidies	252,500
Interest	1,735,125
Dividend to General Fund	106,000
Depreciation on Own Funds	2,416,340
Contributed To Fund Balance	10,141,599
TOTAL EXPENSES	37,054,000

**ORDINANCE 5785
APPROPRIATION ORDINANCE**

5. INTERNAL SERVICE FUNDS	
HEALTHCARE	
REVENUE BUDGET	
Operating Revenues	91,732,000
TOTAL REVENUES	91,732,000
EXPENSE BUDGET	
Personnel	4,580,975
Materials & Supplies	6,212,616
Capital Outlay	9,000
Claims Incurred	79,386,000
Grants & Subsidies	105,809
Federal Tax	40,000
Contributed To Fund Balance	1,397,600
TOTAL EXPENSES	91,732,000
UNEMPLOYMENT FUND	
REVENUE BUDGET	
Program Revenues	599,160
TOTAL REVENUE	599,160
EXPENSE BUDGET	
Claims Incurred	200,000
Contributed To Fund Balance	399,160
TOTAL EXPENSES	599,160
FLEET MANAGEMENT FUND	
REVENUE BUDGET	
V.M. Fuel Revenue Inside	9,543,560
V.M. Shop Charges	19,308,859
V.M. Inventory/Store Sales	249,165
Use of Money and Property	72,000
Outside Revenue	221,187
TOTAL REVENUES	29,394,771
EXPENSE BUDGET	
Materials & Supplies	14,059,741
Inventory	14,541,936
Depreciation on Own Funds	96,100
Capital Outlay	394,453
Contributed To Fund Balance	302,541

**ORDINANCE 5785
APPROPRIATION ORDINANCE**

TOTAL EXPENSES	29,394,771
6. FIDUCIARY FUNDS	
OTHER POST EMPLOYMENT BENEFITS (OPEB)	
REVENUE BUDGET	
Operating Revenues	14,978,999
OperTfr in - Sales Tax Referendum 2019	7,000,000
Contributed From Fund Balance	178,723
TOTAL REVENUES	22,157,722
EXPENSE BUDGET	
Personnel	7,132,683
Material & Supplies	719,039
Claims Incurred	13,944,000
Federal Tax	2,000
Grants & Subsidies	360,000
TOTAL EXPENSES	22,157,722
LIBRARY RETIREMENT SYSTEM	
REVENUE BUDGET	
Operating Transfer In	1,536,484
Contributed From Fund Balance	3,586,622
TOTAL REVENUES	5,123,106
EXPENSE BUDGET	
Personnel	1,073,106
Materials and Supplies	50,000
Pension Benefits	4,000,000
TOTAL EXPENSES	5,123,106

SECTION 2. BE IT FURTHER ORDAINED that for the purposes of Budget control, administration, and accounting of the appropriations made herein for the fiscal year, July 1, 2021, through June 30, 2022, inclusive, the Division and Program names shall be as set out in accordance with the requirements of Section One (1) hereof.

SECTION 3. BE IT FURTHER ORDAINED that City Council estimates of the revenues of the City of Memphis for the fiscal year, July 1, 2021, through June 30, 2022, inclusive, which are applicable to the purposes for which taxes are levied shall be set in the schedule within Section 1.

SECTION 4. BE IT FURTHER ORDAINED that all monies subject to appropriation by all Divisions shall be deposited with the City Treasurer for the use of the City of Memphis and all monies so received shall be considered appropriated regardless

ORDINANCE 5785 APPROPRIATION ORDINANCE

of the foregoing estimates by items until the appropriations have been filled.

Thereupon, any surplus shall become and be designated unappropriated revenue and be subject to lawful appropriation by the City Council. Such amounts are not appropriated for the use of the Division receiving same but shall be carried as a memorandum of collections and earnings.

SECTION 5. BE IT FURTHER ORDAINED that the Comptroller shall have no power to authorize withdrawal of funds constituting the current operating revenues of the City of Memphis from the Treasury of the City of Memphis nor shall any obligations for the expenditures of any such funds be incurred except in pursuance of this ordinance; provided, however, that the Council may appropriate in the current year a greater amount for the operation of any Division, or for any corporate purpose other than those for which an appropriation shall have been made herein in the event that the current revenues shall be available for such purposes; and, provided further, that said expenditures shall be authorized by ordinance or resolution duly adopted by the City Council.

SECTION 6. BE IT FURTHER ORDAINED that where work is done or materials furnished by one service center for another service center, the Comptroller is directed to charge the appropriation of the service center receiving and to credit the appropriation of the service center furnishing such labor or materials with the proper cost thereof, when said charge is accepted by the service center receiving same.

SECTION 7. BE IT FURTHER ORDAINED that the Comptroller shall maintain on file in his/her office the line-item Budget of each program, and that sums not to exceed the preceding amounts set forth in totals by Division and Program for theseveral funds shall so far as may be needed, be appropriated for the purpose shown for the fiscal year, July 1, 2021 through June 30, 2022, inclusive.

The Mayor shall have the authority to approve transfers between all categories, except Personnel, within the total amounts of each Program as set forth herein, however, each transfer shall have a maximum limit of \$50,000 and each Program shall have an annual cumulative limit of \$100,000 for transfers between Categories, within the total amounts of each Program. For Personnel Budget transfers, the Mayor shall have authority to approve an annual cumulative limit of \$50,000 from a Personnel category to another category within each Program. An amount exceeding the annual limit of \$50,000 must be authorized by the City Council. The transfer of an amount between personnel Categories, within a Program that is associated with authorized and funded positions, also transfers the position to the Category receiving funding. Any transfer of appropriations between Programs shall be made only upon the authorization by Ordinance or Resolution of the City Council.

The Mayor shall have the authority to dispose of any City of Memphis owned property only in accordance with the provision of the Charter and/or Ordinance duly adopted by the City Council. The Mayor shall have the authority to lease any City of Memphis owned real property to any non-municipal entity for terms exceeding two (2) years or more only upon prior approval of the City Council.

SECTION 8. BE IT FURTHER ORDAINED that pursuant to the provisions of the City of Memphis Charter as amended when any obligation has been incurred by order, contract, agreement to purchase, hire, receive or otherwise obtain anything of value for the use of the City of Memphis by the joint action of the respective Division Directors, a liability shall be construed to have been created against the appropriation of the Division affected and the respective Division Directors and Program Heads in charge and other persons are prohibited from incurring liabilities in excess of the amount appropriated for each Budget of each Program, the totals of which are set out in Section One (1), hereof, of additional amounts which may hereafter be authorized by the City Council.

SECTION 9. BE IT FURTHER ORDAINED that, at the close of each fiscal year, which is fixed as June 30, any unencumbered balance of an appropriation shall revert to the appropriate fund balance account and shall be subject to re-appropriation by the City Council, encumbered appropriations shall be carried forward into the next fiscal year from the current year Budget

**ORDINANCE 5785
APPROPRIATION ORDINANCE**

SECTION 10. BE IT FURTHER ORDAINED that it shall be the duty of the Comptroller to keep an account of each object item appropriation made by the City Council and each such account shall show the appropriations made thereto, the amounts drawn thereon, and he/she shall make available such information on each appropriation account to the Directors of the various Divisions.

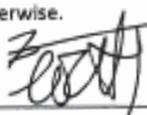
SECTION 11. BE IT FURTHER ORDAINED that no claims against the City of Memphis shall be paid except by means of a check, manual or electronic, on the Treasury issued and signed/authorized by the Comptroller.

SECTION 12. BE IT FURTHER ORDAINED that the City Council expressly declares that each section, subsection, paragraph and provision of this ordinance is severable, and that should any portion of this ordinance be held unconstitutional or invalid, the same shall not affect the remainder of this ordinance, but such unconstitutional or invalid portion be elided, and the City Council declares that it would have passed this ordinance with such unconstitutional or invalid portions elided.

SECTION 13. BE IT FURTHER ORDAINED that this ordinance take effect from and after the date it shall have been passed by the City Council, signed by the Chairperson of the City Council, certified and delivered to the Office of the Mayor in writing by the Comptroller and become effective as otherwise provided by law.

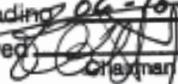
SECTION 14. BE IT FURTHER ORDAINED that if for any reason a budget ordinance is not adopted prior to the beginning of the next succeeding fiscal year, the appropriations from the previous fiscal years' adopted budget ordinance shall become the appropriation for the new fiscal year until the adoption of the new fiscal year budget ordinance is approved, in accordance with Section 6-56-210, TENNESSEE CODE ANNOTATED, provided sufficient revenues are being collected to support the continuing appropriations.

SECTION 15. BE IT FURTHER ORDAINED, pursuant to Substitute Ordinance No. 5785 any decision of the City Council, acting as arbiter only, to resolve any impasse between the City and any employee association over economic items shall be effective and funded only to the extent of funds appropriated for such items in this Appropriation Ordinance but not otherwise.

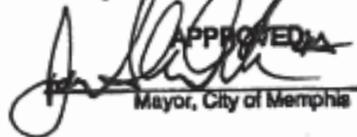


Frank Colvett Jr., Chairperson

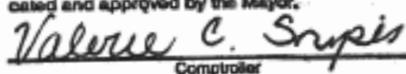

Attest: Comptroller CFO

THE FOREGOING ORDINANCE
5785 PASSED
1st Reading 05-04-2021
2nd Reading 05-18-2021
3rd Reading 06-15-2021
Approved: 
Chairman of Council

Date Signed: 6/29/21

 APPROVED
Mayor, City of Memphis

Date Signed: 06/30/21

I hereby certify that the foregoing is a true copy, and said document was adopted by the Council of the City of Memphis as above indicated and approved by the Mayor.

Valerie C. Snipes
Comptroller





Authorized Complement Discussion

The **authorized complement** is the total number of full-time positions approved by the City Council, for City of Memphis operating divisions. The positions correlate to the number of funded salaries. During the year vacancies occur and there is a possibility the full Budgeted salary may not be used. As a result, salaries are Budgeted at the anticipated rate of staffing.

Below is a summary of the changes in the authorized complement from the prior year's adopted Budget:

Executive Division

The complement increased by one (1) position:

- The Division was approved to add one (1) position:
- Civilian Law Enforcement Review Board (CLERB)

City Engineering

The complement increased by five (5) positions:

- 1 Accounting Manager position was approved
- 1 Land Development position was approved
- 1 Building, Design and Construction (BD&C) position was approved
- 2 positions comprising Prevailing Wages were transferred to Engineering from Finance Division

Finance Division

The complement decreased by a net one (1) position:

- 2 positions comprising Prevailing Wages were transferred to Engineering
- 1 Urban Design & Preservation Planner position was added

Information Technology

The complement increased by five (5) positions:

- 1 Service Delivery position was approved
- 3 Project Manager positions was approved
- 1 Public Safety Cybersecurity Analyst position was approved

Parks and Neighborhoods

The complement increased by six (6) positions:

- Supervisor positions was approved
- 1 Customer Service Administration Specialist position was approved
- 1 Parks Development and Special Projects Manager was approved

Police Services

The complement increased by one (1) position:

- 1 MGU Multi Area Gang Unit Analyst position was approved

Housing and Community Development

The complement decreased by four (4) positions:

- Coordinator and Analyst positions were deleted and expected to be re-purposed for future use as the needs of the department arise

Authorized Complement Summary

Category	FY20 Adopted	FY21 Adopted	FY22 Adopted
GENERAL FUND			
City Attorney	56	57	57
City Council	27	27	27
City Court Clerk	57	58	58
City Court Judges	5	5	5
City Engineering	116	119	124
Executive	119	128	129
Finance	109	114	113
Fire Services	1,773	1,773	1,773
General Services	289	286	286
Grants and Agencies	0	0	0
Housing and Community Development	2	70	66
Human Resources	50	49	49
Information Technology	28	32	37
Libraries	287	286	286
Parks and Neighborhoods	211	218	224
Police Services	2,866	3,126	3,127
Public Works	256	256	256
General Fund Total	6,251	6,604	6,617
OTHER FUNDS			
Special Revenue Funds			
Metro Alarm Fund	6	6	6
Solid Waste Fund	515	515	515
Enterprise Funds			
Sewer Fund	354	356	356
Storm Water Fund	190	191	191
Fiduciary Funds			
OPEB Fund	3	3	3
Internal Service Funds			
Healthcare Fund	10	10	10
Other Funds Total	1,078	1,081	1,081
GRAND TOTAL	7,329	7,685	7,698

OVERVIEW

Capital Improvement Program Budget Overview

The Fiscal Years 2022-2026 Capital Improvement Program (CIP) is a multi-year plan for capital expenditures to replace and expand the City's infrastructure, vehicles, and equipment. For program purposes, the City defines a capital improvement as a major improvement or acquisition grouping costing over \$50,000. The program is updated annually to reflect the latest priorities, updated cost estimates and available revenue sources.

The purpose of the CIP Plan is to outline the funding for capital projects and capital acquisitions that will be of a long-term benefit to the citizens of Memphis. Because projects in the CIP Plan have long-term benefits, they are financed over a longer period. As a result, present and future users pay for the projects.

The Capital Improvement Budget is the annual allocation to the CIP that is set aside to fund major construction projects, acquire property, purchase equipment and fund ongoing capital programs for the City. The CIP Budget is a one-year allocation. Adoption of the CIP Budget by the City Council allows for the allocation of funds for the first year of the program, or in the case of carried-forward projects, a reallocation of unappropriated funding. The City attempts to Budget annual General Obligation (G.O.) Bonds specifically at an average rate of retirement of older bonds. This is currently approximately \$90.8 million. Specific language on how to appropriate and spend construction funds is contained in the CIP Resolution.

Capital Funding Sources

The City's adopted Capital Budget is \$234.0 million in total allocations for Fiscal Year 2022. Listed below are the major sources for Capital Funding.

Long Term Debt

General Obligation (G.O.) Bonds are \$90.8 million, or 38.8%, of the total allocation for the Fiscal Year 2022. The Sewer and Storm Water Funds will also use \$67.4 million of Revenue Bonds for sewer (\$50.0 million "SRB") and storm water (\$17.4 million "STRB") rehabilitation.

Federal Grants / State Grants

Most of these federal funds are for Memphis Area Transit Authority (MATA) projects and Public Works projects that qualify for federal grants. State grants represent the State-matching portion of the MATA funds and Public Works projects that qualify for State funds. State funding will also come into the State Street Aid (SSA) Fund. The IMPROVE Act (Improving Manufacturing, Public Roads, & Opportunities for a Vibrant Economy), was added to the SSA Fund in Fiscal Year 2018. Revenue from the Act is purposed to help improve roads, and as such, some of the CIP projects that relate to road improvement are partially funded from this resource.

Capital Asset Disposition

Capital Asset Disposition funds represent the proceeds from the sale of City assets (primarily buildings) that will be repurposed for other building needs. Currently Fire Station relocations are the focus for repurposing capital asset disposition funds.

Capital-Pay-Go

In addition to Revenue Bonds, the Sewer and Storm Water Funds' current projects are also funded by Capital-Pay-Go. Projects funded by "Capital-Pay-Go" allocations represent internally generated funds.

Carryforward Funding

Projects allocated in previous years' Capital Budgets that have been delayed may be carried forward into the next fiscal year, according to the priorities of the administration, for spending in the new plan.

Carryforward funds represent \$264.0 million. These funds are the unspent allocations from the prior year's approved CIP Plan that could not be allocated within the prior year because the timeframe for completion is greater than one year. Unspent allocations are shown as "Carryforward" funding within the respective Divisions. Specific projects where unspent appropriations will carry forward into the Fiscal Year 2022 CIP spending are identified in the respective Divisions.

Capital Improvement Budget Highlights

The City's planned CIP spending aligns with current priorities that are focused on projects that enhance the City's economic development strategy, leverage federal or private funding, maintain existing facilities, and/or are mandated by law. The Fiscal Year 2022 CIP Budget for G.O. Bond spending is \$90.8 million. The CIP Budget includes \$5.5 million for two Memphis Area Transit Authority (MATA) projects. In Housing and Community Development, \$2.0 million is included for HOPE VI (Housing Opportunities for People Everywhere). This project will remove the last public housing project in the City (Foote Homes). There is a continued emphasis on road paving, which is proposed for \$19.5 million in funding (\$16.9 million G.O. Bonds), and traffic calming devices, budgeted at \$1.7 million for the second year in a row. Major highlights by division are:

Engineering – Funding is included for the replacement of traffic signals, calming devices, and transportation improvements.

Fire Services – Funding is included for the construction and relocation of fire stations.

General Services – Funding will be applied towards major improvements mandated by the Americans with Disabilities Act (ADA) and ongoing improvements to various City buildings. This Budget also reflects \$11.0 million for City-wide vehicle and equipment purchases.

Housing and Community Development – Funding is included for the MHA-Foote Homes Future HOPE VI City initiative. The G.O. Bond funds for the HOPE VI initiative will be supported by federal funds.

Information Technology – Funding is included for the upgrade of the City’s cyber security infrastructure and various applications and platforms.

Library Services – Funding is included to begin construction of the New Frayser Branch Library.

Memphis Area Transit Authority – This Budget is heavily leveraged by Federal and State funding. This year’s Budget includes funding for a new Bus Rapid Transit (BRT) line and the development of new on-street bus transfer facilities.

Memphis River Parks Partnership – This Budget provides funding for the renovation of the North Gate at Mud Island.

Parks and Neighborhoods – Funding is included for the Ed Rice Community Center in Frayser and environmental and recreational improvements to parks and tennis courts.

Police Services – This Budget includes funding for the upgrade of the radio system and renovations to the Police Academy.

Public Works – Funding is included to pave more than 400 lane miles of streets each year, including ADA ramp improvements and several road projects. The Storm Water Fund CIP Budget will allow the City to make major investments in drainage infrastructure throughout the City. The Sewer Fund’s projects are for the repair and replacement of sewer infrastructure, new sewer connections and improvements to the treatment plants.

The Impact of Debt Service Cost and Operating Cost for FY2022

The cost of capital assets manifests in the General Fund (operational costs) or the Debt Service Fund (principal and interest costs). The General Fund budget is established by an ordinance and the Capital Improvement Program (CIP) Budget is established by a resolution.

The financial impact of CIP projects is the annual cost of debt service. Debt service projects impact operational costs because of the issuance of General Obligation (G.O.) Bonds, which are repaid by the tax rate charged to citizens. The property tax rate finances both the General Fund and the Debt Service Fund. In theory, if debt increases, larger portions of property tax revenue are assigned to debt for the payment of G.O. bonds, which reduces resources for operating costs. The City has a G.O. Bonds target to essentially maintain the property tax rate apportionment between the General Fund and the Debt Service Fund within a specific range. This target is established considering debt that will also be retired within the fiscal year.

The following summary lists projects above \$3.0 million in the CIP Budget for FY2022 along with their related G.O. bond funding amounts, and the associated impact on debt service and the operating Budget. The cost of debt is generally considered to be \$70,000 per million. The debt service payments will amortize 25 years instead of 20, also lower in interest. Projects not detailed are either under \$3.0M, considered as replacement investments for fully used existing capital assets, or are for maintenance and/or improvements. The cost to maintain these assets are in the current funding base; therefore, these projects are budget neutral.

Division: Public Works

Project Name: Asphalt/Paving
Project Number: PW22100

This project funds the asphalt and paving activities performed by the City through contracted services.

G.O. Funding:	\$16.9M
Debt Service Impact:	\$1.4M
Operating Budget Impact:	\$2.6M

Division: Fire Services

Project Name: New Fire Station #1
Project Number: FS02031

This project funds the relocation of Fire Station No. 1. The new facility is estimated to be completed by June 30, 2023.

G.O. Bond Funding:	\$6.0M
Debt Service Impact:	\$480K
Operating Budget Impact:	None

Division: Police Services

Project Name: Radio System Upgrade
Project Number: PD04025

This project will fund the final phase replacement of the City of Memphis radio system, the final phase of the replacement will be compatible with P25 technology. Cost responsibility is split 51% vs. 49% for the City and County, respectively. The figures below apply to the City only.

G.O. Funding:	\$6.0M
Debt Service Impact:	\$480K
Operating Budget Impact:	None

Division: General Services

Project Name: City Hall Improvements
Project Number: GS22200

This project provides funds for major modifications, renovations and improvements to City Hall.

G.O. Funding: \$4.9M
Debt Service Impact: \$392K
Operating Budget Impact: None

Division: Park Services

Project Name: Ed Rice Community Center
Project Number: PK01032

This project provides funds for construction of the new Ed Rice Community Center in Frayser. The new facility is estimated to be completed in Spring 2022.

G.O. Funding: \$4.8M
Debt Service Impact: \$384K
Operating Budget Impact: None

Division: MATA

Project Name: Innovation Corridor BRT
Project Number: GA03028

This project provides funds for the development of a new Bus Rapid Transit (BRT) line connecting downtown with The University of Memphis. This project is leveraged by various local funding sources.

G.O. Funding: \$4.5M
Debt Service Impact: \$360K
Operating Budget Impact: None

Public Works Division – Sewer Fund

The Sewer Fund's current projects are funded by Capital Pay-Go (CPG), the Water Infrastructure Finance and Innovation Act (WIFIA), Clean Water State Revolving Fund (CWSRF) loans, and Sewer Revenue Bonds (SRB). The CPGs fund current projects through the use of fund balance. CWSRF and WIFIA are lines of credit that are available for the planning, design, and construction phases of wastewater facilities. The funds may be used for all three phases in any combination. Eligible projects include new construction or the upgrading/expansion of existing facilities and may encompass wastewater treatment plants, pump stations, force mains, collector sewers, interceptors, and/or the elimination of sanitary sewer overflows.

In September 2021, the City closed on a WIFIA loan valued at \$156 million. The WIFIA loan will be used for upgrades to the T.E. Maxson Facility (SW02033). The City currently has two active CWSRF loans, valued at \$48 million and \$25 million, that are associated with upgrades to the T.E. Maxson Facility (SW02033). The City has applied for another CWSRF loan in the amount of \$15 million associated with the sewer rehabilitation of the City of Memphis's collection system (SW05001). The term of each CWSRF loan is 20 years. SRBs will also be used for sewer rehabilitation and assessment.

Budget Development Process

The Budget Office uses financial data provided by City Divisions to facilitate the review and approval of the Operating and Capital Improvement Budgets. The Budget Office is responsible for ensuring the operation of all Divisions within financial guidelines established by Administrative Policy and City Council legislation. The Budget Office is also responsible for forecasting all general revenue for the City.

The Capital Improvement Program (CIP) is a five-year plan for capital allocations that is reviewed annually for priority adherence and project variances. This plan examines each City project and specifies the source of financing for projected expenditures. The process begins in December when the administration evaluates the City's needs and meets with Divisions (starting in January) to review their requests. Requested projects are analyzed by the Finance Division and external bond counsel, and finally compiled and reviewed with the Mayor. In April, the Mayor presents the plan to Council along with the Operating Budget. The Council conducts hearings and adopts a CIP resolution. The Council's adoption of the CIP Resolution authorizes the spending of a portion of engineering, architecture, land acquisition and development costs, and rolling stock through administrative appropriations. Funds for construction costs, equipment, and acquisition contracts are subject to additional authorization by the Council.

Prior and current CIP allocations will remain in the plan until the Division in charge of the project, or the administration, determines that the project is completed or to be defunded.

The Budget Office monitors the CIP Budget using tracking reports, which are reviewed during Budget submission and are monitored at various intervals during the year. The CIP Budget may be amended during the fiscal year when divisions submit resolutions to Council for approval.

The Capital Improvement Budget and Capital Improvement Program are prepared annually to forecast anticipated capital expenditures planned for each of the next five fiscal years. The total project costs and the funding sources (local, state, federal, and private) are estimated. The Capital Improvement Program is prepared after a rigorous review and evaluation of all proposed projects by the administration. Building Design and Construction reviews the scope of all requests involving construction or major renovations to City-owned structures. Debt Management studies the fiscal feasibility of the projects submitted for future funding needs. The single-year CIP Plan allocates capital expenditures for the current Budget year. The CIP Budget must be in full conformity with the Capital Improvement Program applicable to the fiscal year that it covers.

Additional authorizations (appropriations) for each project in the Capital Improvement Budget must precede the expenditures of construction funds.

RESOLUTION for City of Memphis
Capital Improvement Program Fiscal
Year 2022

WHEREAS, the Mayor submitted to the Council of the City of Memphis on April 20, 2021 a recommended Capital Acquisition Budget and a Capital Improvement Program for fiscal years 2022 through 2026; and

WHEREAS, said Capital Acquisition Budget projects needed acquisitions of vehicles and equipment and the Capital Improvement Program does project on a priority basis the anticipated Capital expenditure required to construct needed public improvements for the said period; and

WHEREAS, the Budget Committee of the Council has held meetings and reviewed thoroughly the recommended Capital Acquisition Budget and Capital Improvement Program and will make approved revisions thereto; and

WHEREAS, it is the intent of the Council that funds for replacement vehicles and equipments as set forth in the Capital Acquisition Budget should be appropriated herein; and

WHEREAS, it is the intent of the Council that funds for construction require appropriation by Council; and

WHEREAS, the Comptroller is authorized to bring forward into the 2022 fiscal year all unappropriated allocations for uncompleted projects, or projects that have not begun and are necessary to be carried forward from the fiscal year 2021 Capital Improvement Program (CIP) Budget as carried-forward dollars; and

WHEREAS, it is the intent of the Council and the Administration to effect a material reduction in future capital expenditures; and

WHEREAS, to achieve this goal, all prior years' General Obligation (G.O.) Bond unappropriated allocations that have not been approved to carry forward in the fiscal year 2022 Capital Improvement Budget, shall be unallocated and removed from the Capital Improvement Program; and

WHEREAS, provisions have been made that upon completion or deletion of any authorized project, the funding for all unused allocations or unencumbered appropriations on projects completed in FY22 will be returned to its source by the Comptroller and/or made available for transfer or reallocation, subject to further appropriation and allocation of said funds by the Council;

NOW, THEREFORE, BE IT RESOLVED, by the City Council of Memphis that the fiscal years 2022-2026 Capital Improvement Program be, and the same is hereby approved and adopted as, the City's Official Statement of Intent to construct needed public improvements subject to annual review and modification, and the Capital Acquisition Budget is hereby adopted as needed replacements of vehicles and equipment. Funds approved for capital acquisition, street maintenance and asphalt/paving/resurfacing are considered approved, allocated and appropriated as set forth in the fiscal year 2022 Budget upon approval, the welfare of the City requiring it. The General Obligation bond Capital Improvement Program funding for fiscal year 2022 is \$90,812,900. Appendix "A", which is the Fiscal Year 2022 CIP Budget attached hereto, details the construction projects, capital maintenance, and capital acquisitions and is made a part of this resolution.

BE IT FURTHER RESOLVED, that the fiscal year 2022 allocations in the Capital Improvement Program be and are hereby adopted as the fiscal year 2022 Capital Construction Budget and funds are appropriated for architectural/engineering services and for land options, if necessary. The Administration shall use the following procedures in moving forward with Capital Construction projects:

The Administration shall present to the appropriate Council Committee the schematic design of the project(s) as defined by the standard Architectural and Engineering Agreement used by the City of Memphis, at an architectural or engineering expense not to exceed 20% of the contracted professional fee amount. Projects designed "in house" or gratuitously must also go through the process. Council approval in the next following regular session of the Council is then required before the continuation of any such project.

After such Council approval, Administration will proceed with final plan preparation, final land acquisition and take bids for the project. Council shall be informed as to the time limitation designated in the professional contract.

The Administration will return to the Council for approval of funds for construction expenditures.

BE IT FURTHER RESOLVED, that projects with prior years' allocation in any stage of design on the date of the 2022 Budget adoption, that have not followed the procedure outlined above, must be returned to the Council for approval prior to going to bid.

BE IT FURTHER RESOLVED, that projects with prior years' allocation that are not yet in the design process on the date of the adoption of the fiscal year 2022 CIP Budget, and have been allowed for carryforward, or are funded by funds other than G.O. Bonds, must follow the same procedure outlined above for all prior approved projects.

BE IT FURTHER RESOLVED, that upon the completion/bond release of any authorized project, any unencumbered balance on projects completed in fiscal year 2022 will be returned to its source of funding, and/or made available for transfer or reallocation, subject to further allocation, and appropriation of said funds by the Council.

BE IT FURTHER RESOLVED, that the Comptroller be and is hereby authorized to un-allocate and eliminate all prior year allocations that have not been carried forward in the fiscal year 2022 Capital Construction Budget.

BE IT FURTHER RESOLVED, that after construction funds have been appropriated by the Council, the Comptroller is no longer authorized to approve the transfer of unencumbered funds between categories within each project but must return to the Council for approval of such action.

BE IT FURTHER RESOLVED, that projects which subsequently require appropriations more than the total project amount approved in the fiscal year 2022 Capital Construction Budget and the Capital Acquisition Budget be subject to further Council approval.

BE IT FURTHER RESOLVED, that any land, building or facility under the jurisdiction of the City of Memphis or which has ever been funded or partially funded by the City of Memphis cannot be demolished, sold, given to, or leased to any non-municipal entity without authorization of the City Council. The authorization does not apply to routine short-term rental. Without authorization of the City Council, no assets may be received by the City.

BE IT FURTHER RESOLVED, that there be and is hereby appropriated an amount up to \$11,000,000 for the acquisition of vehicles and equipment as set forth in the fiscal year 2022 allocation of the Capital Acquisition Budget.

BE IT FURTHER RESOLVED, that the Comptroller be and is hereby authorized to bring forward into the fiscal year 2022 Capital Construction Budget all appropriations and only those allocations that have been carried forward from the fiscal year 2021 Capital Construction Budget.

BE IT FURTHER RESOLVED, that the Council expressly declares that each section, sub-section, paragraph and provision of this resolution is severable, and that should any portion of this resolution be declared unconstitutional or invalid by a Court of law, the same shall not affect the remainder of this resolution, but such unconstitutional or invalid portion shall be elided, and the City Council declares that it would have passed this resolution with such unconstitutional or invalid portions elided.

BE IT FURTHER RESOLVED, that this resolution take effect from and after the date it shall have been passed by the Council, signed by the Chairperson of the Council, certified and delivered to the office of the Mayor in writing by the Comptroller, and become effective as otherwise provided by the law.

Frank Colvett, Chairperson of Memphis City Council

ATTEST:

Dywuana Morris, Comptroller, City of Memphis

I hereby certify that the foregoing is a true copy and document was adopted, approved by the Council of the City of Memphis in regular session on

Date JUN 15 2021

 Valerie C. Sripes
Deputy Comptroller-Council Records

FY2022 CIP Resolution APPENDIX A

Division	Project Number	Project Name	Funding/Allocation
City Council	TBD	Council District Improvements	\$154,000
	City Council Subtotal		\$154,000
Convention Center	GS22300	Convention Center Coverline	\$400,000
	Convention Center Subtotal		\$400,000
Engineering	EN01036	STP Pedestrian Routes	\$80,000
	EN01060	Ball Road Sidewalk	\$168,000
	EN01061	Dunbar Elem School Safety	\$168,000
	EN01062	Mississippi Blvd Pedestrian	\$264,000
	EN01064	Range Line Road Sidewalk	\$78,000
	EN01065	Hanley Elem School Safety	\$168,000
	EN01067	HSIP Coverline	\$150,000
	EN01-TBD	Shelby Farms Midtown Greenline Connector	\$40,000
	EN01-TBD	Traffic Safety Development - N. Watkins and Corning Ave.	\$8,000
	EN01-TBD	Traffic Safety Development - Mill Ave. and N. Third St.	\$8,000
	EN01-TBD	Traffic Safety Development - Dellwood Ave. and St. Charles Dr.	\$30,000
	EN01096	LED Traffic Signal Replacement	\$1,000,000
	EN22100	Traffic Signals FY22	\$1,000,000
	EN22200	Traffic Calming Devices FY22	\$1,700,000
	EN22300	Urban Art FY22	\$350,000
EN22400	Traffic Safety Development FY22	\$500,000	
Engineering Subtotal		\$5,712,000	
Fire Services	FS02031	Fire Station 1	\$6,000,000
	FS02032	EMA Sirens	\$126,400
	FS02033	Drill Tower Improvements	\$300,000
	FS04012	Personal Protective Equipment	\$600,000
	FS22100	Fire Station Repair Coverline	\$1,500,000
Fire Services Subtotal		\$8,526,400	
General Services	GS22100	Major Modifications (Property Maint) Coverline	\$8,500,000
	GS22200	FY22 City Hall Improvements	\$4,900,000
	GS0222A-1	City-wide Fleet Acquisitions	\$11,000,000
	GS01049	Coke Facility	\$1,000,000
General Services Subtotal		\$25,400,000	
HCD	CD01030	MHA-Foote Homes Future HOPE VI (South City)	\$2,000,000
HCD Subtotal		\$2,000,000	

FY2022 CIP Resolution APPENDIX A

Division	Project Number	Project Name	Funding/Allocation
Information Technology	IT0001	Desktop & Application Infrastructure	\$500,000
	IT0002	Cyber Security Infrastructure Upgrade	\$1,000,000
	IT0003	Operational Infrastructure Enhancements	\$1,000,000
	IT0004	Implementation Modernization	\$1,000,000
	Information Technology Subtotal		
Library Services	LI01030	New Frayser Library	\$2,420,000
	Library Services Subtotal		
MATA	GA03028	Innovation Corridor Bus Rapid Transit	\$4,500,000
	GA03029	Transit Vision Project	\$1,000,000
	MATA Subtotal		
Memphis River Parks	PK13003	Mud Island North Gate Renovation	\$323,000
	Memphis River Parks Subtotal		
Parks	PK01032	Ed Rice Community Center	\$4,800,000
	PK03004	Tennis Major Maintenance	\$600,000
	PK06017	Audubon Cart Paths	\$500,000
	PK08037	Lichterman Nature Center Major Maintenance	\$200,000
	PK09002	Zoo Major Maintenance & Others	\$250,000
	PK22100	Parks and Neighborhoods Coverline	\$2,000,000
	PK-TBD	Levitt Shell	\$300,000
Parks Subtotal			\$8,650,000
Police Services	PD02013	Police Academy Renovation	\$575,000
	PD02016	New Mt. Moriah Station	\$500,000
	PD02018	Violent Crimes Unit Renovation	\$382,500
	PD03-TBD	Take Home Car Program	\$1,000,000
	PD04022	In-Car Video - GPS	\$300,000
	PD04025	Radio System Upgrade	\$6,000,000
	PD04029	Radio Maintenance Rehab Project	\$230,000
Police Services Subtotal			\$8,987,500
Public Works	PW22100	Asphalt Paving Coverline	\$16,900,000
	PW22200	Replace Various Sidewalks	\$500,000
	PW22300	ADA Curb Ramp Coverline	\$1,000,000
	PW22400	Bridge Repair Coverline	\$800,000
	PW-TBD	Channel Avenue Repaving	\$40,000
Public Works Subtotal			\$19,240,000
GRAND TOTAL - G.O. BONDS			\$90,812,900

CIP SUMMARY

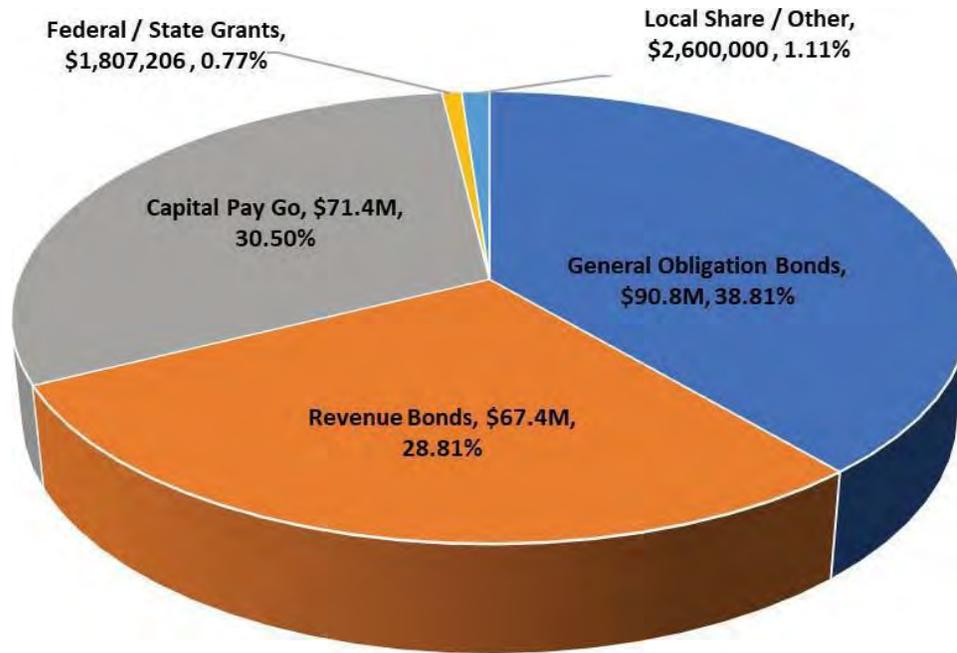
City Wide Summary

This section presents a summary of all active Capital Improvement Program projects throughout the City of Memphis.

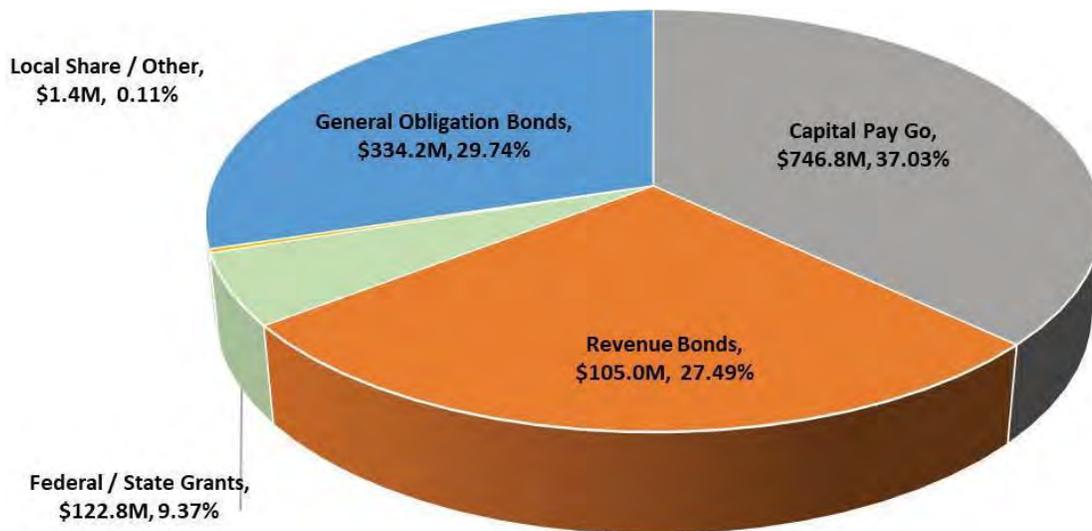
City Wide Summary by Category

	Carryforward	FY2022	FY2023	FY2024	FY2025	FY2026	Total
REVENUE SOURCES							
Capital Pay-Go	\$171,745,349	\$71,350,000	\$51,850,000	\$43,850,000	\$40,850,000	\$40,850,000	\$420,495,349
Federal Grants CIP	54,461,142	1,807,206	5,600,000	0	0	0	61,868,348
General Obligation Bonds	17,010,419	90,812,900	76,783,643	58,127,099	49,655,220	45,279,162	337,668,443
Local Other CIP	763,450	2,600,000	0	0	0	0	3,363,450
Sewer Revenue Bonds	20,000,000	50,000,000	50,000,000	50,000,000	30,000,000	30,000,000	230,000,000
Storm Water Bonds	0	17,400,000	15,300,000	16,000,100	16,700,000	16,700,000	82,100,100
State Grants All	0	0	0	0	0	0	0
Total Revenues	\$263,980,360	\$233,970,106	\$199,533,643	\$167,977,199	\$137,205,220	\$132,829,162	\$1,135,495,690
EXPENDITURE TYPES							
Architecture and Engineering	82,691,912	77,610,650	69,150,000	70,860,700	49,350,000	54,400,000	404,063,260
Contract Construction	171,562,453	129,434,456	113,732,991	87,348,150	79,146,681	69,256,080	650,480,810
Equipment CAP	0	84,174	0	0	0	0	84,170
Furniture Fixtures Equipment	1,746,750	1,020,000	1,040,000	1,536,162	680,000	700,000	6,722,910
Information Technology	1,618,311	10,290,000	12,812,092	4,702,123	3,976,687	3,976,687	37,375,900
Land Acquisition	6,056,934	1,460,000	310,000	310,000	310,000	310,000	8,756,930
Land Development	0	250,000	0	0	0	0	250,000
Other Cost	304,000	1,700,000	2,488,560	3,220,064	3,741,852	4,186,395	15,640,870
Vehicles CAP	0	12,120,826	0	0	0	0	12,120,820
Total Expenditures	\$263,980,360	\$233,970,106	\$199,533,643	\$167,977,199	\$137,205,220	\$132,829,162	\$1,135,495,690

CAPITAL IMPROVEMENT PROGRAM WHERE THE MONEY COMES FROM



FY 2022 Budget \$233,970,106



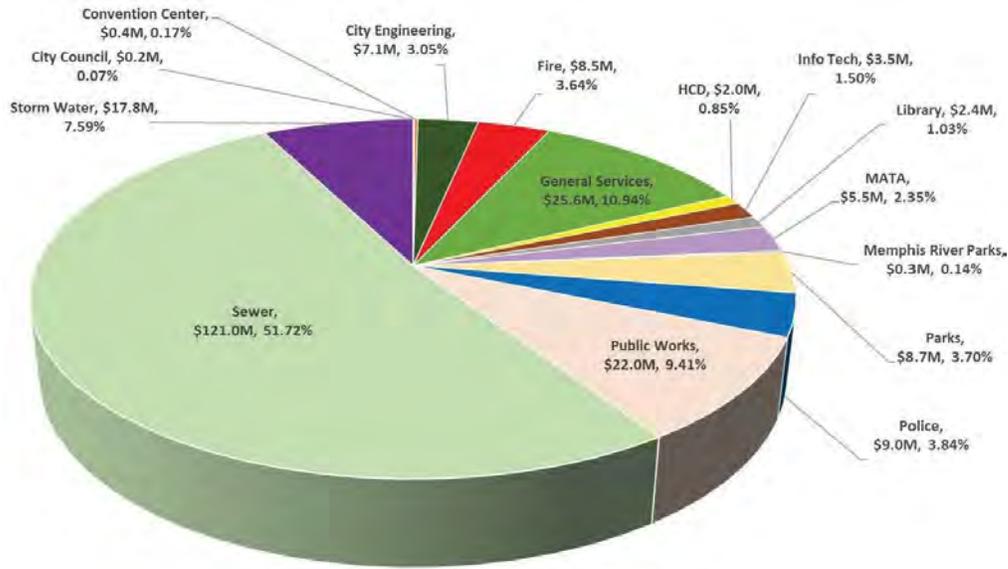
FY 2022 - 2026 Programs \$1,135,495,690

Includes Carryforward Allocation

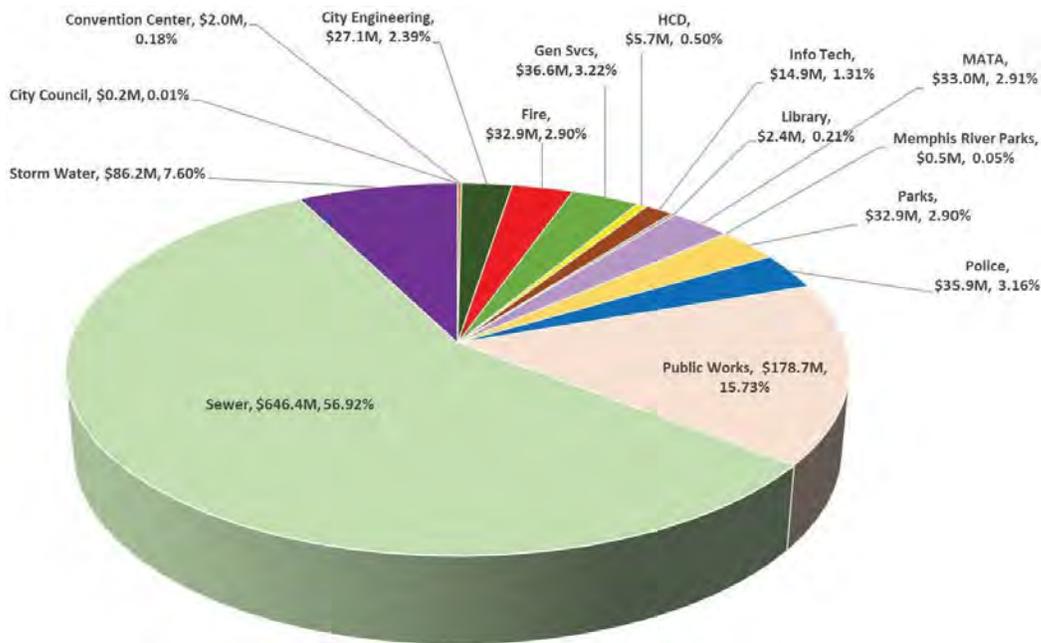
City Wide Summary by Division

Division	Carryforward	FY2022	FY2023	FY2024	FY2025	FY2026	Total
City Council	\$0	\$154,000	\$0	\$0	\$0	\$0	\$154,000
Engineering	680,014	7,142,206	5,010,000	4,760,000	4,760,000	4,760,000	27,112,220
Conv. Ctr.	0	400,000	400,000	400,000	400,000	400,000	2,000,000
Executive	75,000	0	0	0	0	0	75,000
Fire Services	1,913,311	8,526,400	7,940,760	5,096,064	4,502,092	4,957,475	32,936,102
General Services	0	25,605,000	5,000,000	6,000,000	0	0	36,605,000
Housing and Community Development	1,725,000	2,000,000	2,000,000	0	0	0	5,725,000
Information Technology	0	3,500,000	5,775,000	1,875,000	1,875,000	1,875,000	14,900,000
Library Services	0	2,420,000	0	0	0	0	2,420,000
MATA	2,291,750	5,500,000	6,897,809	7,170,750	8,486,441	2,655,000	33,001,750
Memphis River Parks	200,000	323,000	0	0	0	0	523,000
Parks and Neighborhoods	416,034	8,650,000	5,500,000	5,850,000	5,750,000	6,750,000	32,916,034
Police Services	2,511,260	8,987,500	15,060,074	5,175,285	2,081,687	2,081,687	35,897,493
Public Works	62,422,642	22,012,000	28,800,000	21,800,000	21,800,000	21,800,000	178,634,642
Sewer Fund	189,357,667	121,000,000	101,500,000	93,500,000	70,500,000	70,500,000	646,357,667
Storm Water Fund	2,387,682	17,750,000	15,650,000	16,350,100	17,050,000	17,050,000	86,237,782
Total	\$263,980,360	\$233,970,106	\$199,533,643	\$167,977,199	\$137,205,220	\$132,829,162	\$1,135,495,690

CAPITAL IMPROVEMENT PROGRAM USE OF FUNDS



FY 2022 Budget \$233,970,106



FY 2022 - 2026 Programs \$1,135,495,690

Includes Carryforward Allocation

FY2022 Capital Improvement Budget Summary

Project Number	Project Name	Carryforward	Current Year	Total
CITY COUNCIL				
CC22100	Council District Improvements	\$0	\$154,000	\$154,000
	Total City Council	\$0	\$154,000	\$154,000
CITY ENGINEERING				
EN22100	Traffic Signals Coverline	\$0	\$1,000,000	\$1,000,000
EN22200	Traffic Calming Devices Coverline	\$0	\$1,700,000	\$1,700,000
EN22300	Urban Art Coverline	\$0	\$350,000	\$350,000
EN22400	Traffic Safety Development Coverline	\$0	\$500,000	\$500,000
EN01036	STP Pedestrian Routes	\$155,062	\$207,344	\$362,406
EN01060	Ball Road Sidewalk	\$331,181	\$499,181	\$830,362
EN01061	Dunbar Elem School Safety	\$0	\$168,000	\$168,000
EN01062	Mississippi Blvd Pedestrian	\$0	\$264,000	\$264,000
EN01064	Range Line Road Sidewalk	\$0	\$369,980	\$369,980
EN01065	Hanley Elem School Safety	\$0	\$647,701	\$647,701
EN01067	HSIP Coverline	\$193,771	\$150,000	\$343,771
EN01096	LED Traffic Sig Replacement	\$0	\$1,000,000	\$1,000,000
EN01108	Shelby Farms/Midtown Greenline	\$0	\$240,000	\$240,000
EN01110	Traffic Safety Dvlpmt-District 7	\$0	\$46,000	\$46,000
	Total City Engineering	\$680,014	\$7,142,206	\$7,822,220
CONVENTION CENTER				
GS22300	Convention Center Coverline	\$0	\$400,000	\$400,000
	Total Convention Center	\$0	\$400,000	\$400,000
EXECUTIVE				
GA01031	Play Yard Renov-Animal Services	\$75,000	\$0	\$75,000
	Total Executive	\$75,000	\$0	\$75,000
FIRE SERVICES				
FS02008	Fire Station 11 Construction	\$1,740,000	\$0	\$1,740,000
FS02011	Replace Fire Station #43	\$173,311	\$0	\$173,311
FS02031	Fire Station 1 Construction	\$0	\$6,000,000	\$6,000,000
FS02032	EMA Sirens	\$0	\$126,400	\$126,400
FS02033	Drill Tower Improvements	\$0	\$300,000	\$300,000
FS04012	Personal Protective Equipment	\$0	\$600,000	\$600,000
FS18102	Avery Renovations	\$0	\$0	\$0
FS22100	Fire Station Improvs Coverline	\$0	\$1,500,000	\$1,500,000
	Total Fire Services	\$1,913,311	\$8,526,400	\$10,439,711

FY2022 Capital Improvement Budget Summary *(Continued)*

Project Number	Project Name	Carryforward	Current Year	Total
GENERAL SERVICES				
GS01049	Coke Facility - Adaptive Use	\$0	\$1,000,000	\$1,000,000
GS22100	Major Modification Coverline	\$0	\$8,500,000	\$8,500,000
GS22200	City Hall Improvements	\$0	\$4,900,000	\$4,900,000
GS0222A	FY22 CAQ Police	\$0	\$3,349,000	\$3,349,000
GS0222B	FY22 CAQ Engineering	\$0	\$325,000	\$325,000
GS0222C	FY22 CAQ Public Works	\$0	\$191,000	\$191,000
GS0222D	FY22 CAQ PW-Street Maintenance	\$0	\$451,000	\$451,000
GS0222E	FY22 CAQ Executive (Animal Services)	\$0	\$66,970	\$66,970
GS0222F	FY22 CAQ Fire	\$0	\$5,729,030	\$5,729,030
GS0222G	FY22 CAQ General Services	\$0	\$420,540	\$420,540
GS0222H	FY22 CAQ Parks	\$0	\$603,460	\$603,460
GS0222I	FY22 CAQ Library	\$0	\$69,000	\$69,000
Total General Services		\$0	\$25,605,000	\$25,605,000
HOUSING AND COMMUNITY DEVELOPMENT				
CD01030	MHA-Foote Homes Future HOPE VI	\$0	\$2,000,000	\$2,000,000
CD01092	Raleigh Mall Redevelopment	\$225,000	\$0	\$225,000
CD01097	Klondike/Smokey City Initiative	\$1,500,000	\$0	\$1,500,000
Total Housing and Community Development		\$1,725,000	\$2,000,000	\$3,725,000
INFORMATION TECHNOLOGY				
IT01001	Desktop & Application Infrastructure	\$0	\$500,000	\$500,000
IT01002	Cyber Security Infrastructure Upgrade	\$0	\$1,000,000	\$1,000,000
IT01003	Operational Infrastructure Enhancements	\$0	\$1,000,000	\$1,000,000
IT01004	Implementation Modernization	\$0	\$1,000,000	\$1,000,000
Total Information Technology		\$0	\$3,500,000	\$3,500,000
LIBRARY SERVICES				
IT01004	Implementation Modernization	\$0	\$2,420,000	\$2,420,000
Total Library Services		\$0	\$2,420,000	\$2,420,000
MATA				
GA03011	Paratransit In-Service Vehicles	\$841,750	\$0	\$841,750
GA03023	Operations/Maintenance Facility	\$1,450,000	\$0	\$1,450,000
GA03028	Innovation Corridor Bus Rapid Transit	\$0	\$4,500,000	\$4,500,000
GA03029	Transit Vision Project	\$0	\$1,000,000	\$1,000,000
Total MATA		\$2,291,750	\$5,500,000	\$7,791,750

FY2022 Capital Improvement Budget Summary (Continued)

Project Number	Project Name	Carryforward	Current Year	Total
MEMPHIS RIVER PARKS				
GA01028	Mud Island Amphitheater Upgrade	\$200,000	\$0	\$200,000
PK13003	Mud Island North Gate Renovation	\$0	\$323,000	\$323,000
Total Memphis River Parks		\$200,000	\$323,000	\$523,000
PARK SERVICES				
PK01032	Ed Rice Community Center	\$0	\$4,800,000	\$4,800,000
PK03004	Tennis Major Maintenance	\$0	\$600,000	\$600,000
PK06017	Audubon Golf Course Cart Paths	\$0	\$500,000	\$500,000
PK07012	Greenway Improvements	\$116,034	\$0	\$116,034
PK07110	Levitt Shell	\$0	\$300,000	\$300,000
PK08037	Lichterman Major Maintenance	\$0	\$200,000	\$200,000
PK09002	Zoo Major Maintenance	\$300,000	\$250,000	\$550,000
PK22100	Park Services Coverline	\$0	\$2,000,000	\$2,000,000
Total Park Services		\$416,034	\$8,650,000	\$9,066,034
POLICE SERVICES				
PD02013	Police Academy Renovation	\$499,200	\$575,000	\$1,074,200
PD02016	Mount Moriah Station	\$0	\$500,000	\$500,000
PD02018	Violent Crimes Unit Renovation	\$0	\$382,500	\$382,500
PD03010	Take-Home Car Program	\$0	\$1,000,000	\$1,000,000
PD04022	In-Car Video - GPS	\$600,000	\$300,000	\$900,000
PD04025	Radio System Upgrade	\$0	\$6,000,000	\$6,000,000
PD04029	Radio Maintenance Rehab Project	\$1,412,060	\$230,000	\$1,642,060
Total Police Services		\$2,511,260	\$8,987,500	\$11,498,760
PUBLIC WORKS				
PW22100	Asphalt Paving Coverline	\$0	\$19,500,000	\$19,500,000
PW22200	Replace Various Sidewalks	\$0	\$500,000	\$500,000
PW22300	ADA Curb Ramp Coverline	\$0	\$1,000,000	\$1,000,000
PW22400	Bridge Repair Coverline	\$0	\$800,000	\$800,000
PW01023	Second/I-40/Cedar	\$20,822,450	\$0	\$20,822,450
PW01025	Winchester/Perkins	\$1,265,000	\$0	\$1,265,000
PW01056	Holmes-Millbranch to East of Tchulahoma	\$14,834,363	\$0	\$14,834,363
PW01064	Elvis Presley/Shelby/Winchester	\$6,691,492	\$0	\$6,691,492
PW01179	Holmes-East Malone/Lamar	\$14,612,760	\$0	\$14,612,760
PW01277	Poplar-Front to Bellevue	\$4,196,577	\$0	\$4,196,577
PW01290	Channel Avenue Repaving	\$0	\$212,000	\$212,000
Total Public Works		\$62,422,642	\$22,012,000	\$84,434,642

FY2022 Capital Improvement Budget Summary *(Continued)*

Project Number	Project Name	Carryforward	Current Year	Total
SEWER				
SW22100	Misc. Subdivisions Outfalls Coverline	\$0	\$5,000,000	\$5,000,000
SW22200	Rehab Existing Systems Coverline	\$0	\$10,000,000	\$10,000,000
SW22300	Service Unsewered Coverline	\$0	\$1,000,000	\$1,000,000
SW02006	Sludge Disposal/Earth Complex	\$20,700,000	\$2,000,000	\$22,700,000
SW02011	Covered Anaerobic Lagoon	\$35,800,000	\$5,000,000	\$40,800,000
SW02033	South Plant Expansion	\$38,010,800	\$8,000,000	\$46,010,800
SW04007	Environmental Maintenance Relocation	\$1,839,811	\$0	\$1,839,811
SW04009	Stiles Plant Modification	\$22,673,905	\$15,000,000	\$37,673,905
SW04011	Stiles WWTF Biosolids Upgrades	\$39,000,000	\$25,000,000	\$64,000,000
SW05001	Sewer Assessment & Rehab	\$31,333,151	\$50,000,000	\$81,333,151
	Total Sewer	\$189,357,667	\$121,000,000	\$310,357,667
STORM WATER				
ST02001	Design Coverline	\$0	\$5,200,000	\$5,200,000
ST03205	Drainage Coverline	\$838,795	\$9,000,000	\$9,838,795
ST03207	Flood Control Coverline	\$948,887	\$2,200,000	\$3,148,887
ST03211	Curb & Gutter-Misc. Locations	\$0	\$500,000	\$500,000
ST03214	Flood Mitigation-Land Acquisition Coverline	\$0	\$350,000	\$350,000
ST03216	Bridge Repair Coverline	\$0	\$500,000	\$500,000
ST03217	Bartlett Rd/Fletcher - Storm	\$600,000	\$0	\$600,000
	Total Storm Water	\$2,387,682	\$17,750,000	\$20,137,682
	GRAND TOTAL FY2022	\$263,980,360	\$233,970,106	\$497,950,466

